

CURRENT HISTORY

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Current History

APRIL, 1983

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The internal politics of the Southeast Asian nations and the divisions between them are explored in this issue. Describing the superpowers' role, our lead article points out that the "best and perhaps the last best hope for peace, stability and economic development in Southeast Asia is regionalism. . . ." But he cautions the superpowers "to eschew exploiting regionalism as a cold war weapon. The temptation is great, particularly for the Soviet Union and China."

Southeast Asia and the Superpowers: The Dust Settles

BY DOUGLAS PIKE

Director, Indochina Studies Program, University of California, Berkeley



SOUTHEAST Asia's geopolitical relationship with each of the three major powers—the United States, the U.S.S.R. and China—has entered a new period of history. The post-Vietnam War era has ended, and the dust has settled.

To appreciate the stark quality of change over the past eight years, one need only compare the present bilateral association of each superpower with the nations of Southeast Asia to the situation on April 30, 1975, the day the Vietnam War ended. The United States, numbed and disoriented by the sudden turn of events, looked on the region with an attitude of psychological disgust that bordered on the irrational. In turn, the United States was viewed as a highly uncertain associate by some Southeast Asian nations and as a potentially vindictive enemy by others. The Soviet Union was scarcely present in the region, on land or sea. It had made only token gestures in its claim to a legitimate voice in the affairs of Southeast Asia and the decisions taken there. China, of ancient presence, was still linked in brotherhood with the victors in Indochina. Those countries which did not consider China an outright threat through the funding of insurgencies feared that it still dreamed imperial dreams.

Each of these sets of relationships has been jumbled and reassembled. Some of the old relations remain, of course; heritage is a major influence in Asia. But the central fact of life in Southeast Asia's current external affairs is that initial postwar geopolitical associations have been virtually redefined in the past few years, launching the region on a new, still tentative course

that forces it to redefine alliances and reassess potential friends and foes.

The major developments of the post-Vietnam War era should be noted briefly. The break-up of the Communist alliance of the Vietnam War eventually led to an internecine struggle among former ideological brothers in Indochina—the Vietnamese Communist party in North Vietnam, the National Liberation Front (or Viet Cong) in South Vietnam, the Khmer Rouge in Cambodia (now Kampuchea) and, to some extent, the Pathet Lao in Laos. Then came deterioration and open warfare between North Vietnam and China.

Second, the Soviet Union launched a regional military presence. This had begun earlier, of course, and has broader pan-Pacific meaning, but it was and is centered in the air and naval bases of Vietnam.

Third, there was the nearly inexplicable failure of the Marxist Indochinese states to avail themselves of the opportunities presented by victory; instead they permitted holocaust in Kampuchea and massive social trauma in Vietnam. Their failure was highlighted by developments among the five Association of Southeast Asian Nations (ASEAN), Thailand, Indonesia, Malaysia, the Philippines and Singapore. As Communist Indochina's fortunes spiraled steadily downward, socio-economic conditions in ASEAN spiraled sharply upward.

Fourth, regionalism, previously a hothouse plant, has flowered. This has tended to polarize Southeast Asia geopolitically—the three Indochinese states moving toward federation (or confederation) and the five

ASEAN countries gravitating slowly but steadily toward integration.

What we are concerned with, then, is an emerging struggle for power in Southeast Asia involving eight regional actors more or less polarized between Communist Indochina and the ASEAN countries, on which is superimposed a new triangular rivalry among the United States, the Soviet Union and China. Japan should also be an important, even decisive actor in this emerging drama. But it is not, at least for the present. Japan, of course, is deeply involved in regional economic activities but it has been unable or unwilling to transfer its admitted economic prowess to the geopolitical arena. It has made a few hesitant, unsuccessful efforts but it is still in the process of becoming a South-east Asian power.

THE UNITED STATES VIEW

Officially, since the end of the Vietnam War, the United States has tended to ignore Southeast Asia, especially Indochina. This attitude began in President Jimmy Carter's administration and has continued in President Ronald Reagan's, although for different reasons.

American avoidance is seen by Southeast Asians as willful and deliberate. In both Hanoi and Jakarta, for instance, United States behavior is often attributed to calculating dark design. Actually, the policy is more innocent. The Carter administration tended to ignore the region because it believed, mistakenly, that the region wanted to be ignored. The Reagan administration tends to ignore it because it is preoccupied with more pressing matters, like the domestic economy and Soviet machinations. This situation is doubly regrettable, because Washington could easily enhance its position at minimum cost, often simply with psychological gestures.

The commonly held Defense and State Department view is that Southeast Asia does not have the same strategic importance to the United States as do other regions of the world, like the NATO (North Atlantic Treaty Organization) area or northeast Asia. The region seems to rank below the Middle East but above Africa south of the Sahara in strategic thinking.

Washington's standard enunciation of American objectives in Southeast Asia—encountered at congressional hearings, in speeches by Cabinet officers and at high-level public or private briefings—has been reiterated so often that it is difficult to distinguish significance from rhetoric. Further, since America is a pluralistic society, there is seldom a neat consensus among us about our national objectives. Finally, there is the uncertainty factor: our officials may think they mean what they say about a policy objective. But will the policy hold in a showdown, particularly an unexpected showdown?

Considering these limitations imposed by semantics,

diversity and probability, what can be said about United States objectives in Southeast Asia? It is probably safe to set forth the following as Washington's perceived national objectives:

—To maintain a continued American presence for its own sake, in the context of great power balance.

—To maintain the peace or confine conflict if it does break out and while measures are being taken to end it.

—To curtail aggression, defined as altering national boundaries by force, if and when it takes place; to defeat Communist insurgencies and to end non-Communist insurgencies in non-Communist countries.

—To work for and contribute to regional stability as the necessary prerequisite to creating the proper environment for political and economic development.

—To encourage political development based on equalitarian and democratic principles.

—To foster economic development within an interdependent world economic system, and to assure United States access to resources, markets and major sea lines of communication.

—To promote the development of regionalism in the area, at least among the non-Communist nations.

If any dominating factor has emerged in recent years, it has been economics, which lends new importance to the region. As the United States trade balance gradually swung from Europe to Asia and as United States investments (especially in natural resources acquisition) multiplied, United States interests in Southeast Asia have been increasingly expressed in terms of American access to the region and the freedom to traverse it. Credible challenges to either of these interests are few, because it is difficult to envision a deliberate, effective blockage of United States access or right of passage in the foreseeable future. More probable is impaired access or uncertain passage because of chaos, instability or war within the region.

With respect to Communist Indochina, the United States has made its policies subordinate to (and integrated into) its relations with the ASEAN countries and China. Washington says it remains concerned about Hanoi's military intrusion into Kampuchea; Vietnam's overly intimate military relationship with the Soviet Union, an alliance in all but name; and the mistreatment of the Vietnamese in reeducation camps and New Economic Zones and the violation of their human rights, particularly middle class Vietnamese and ethnic Chinese driven out as boat people. Until there is significant change in Hanoi's behavior, the United States has indicated that relations will remain at their present impasse.

In some ways, this American posture toward Indochina is not a policy but a comfortable holding operation. The United States in effect says to the ASEAN states and China: you lead and we follow; any policy mutually acceptable to you, like a Kampuchean settle-

ment, is acceptable to us. There is much to recommend this approach, for a time. It defers to ASEAN and thus helps strengthen it. Certainly it is not an approach designed to lead the United States into serious trouble. The chief criticism to be made of it is that, by definition, it abrogates vitally needed American leadership.

Current Washington geopolitical thinking about Asia and Southeast Asia holds that what is needed is sociopolitical, economic and military equilibrium, which probably can best be achieved through some new form of international system. According to this thesis, the Pacific basin, including Southeast Asia, should be brought into equilibrium. It is in the interests of all nations rimming the Pacific that no state should dominate the area. Further, if any nation threatens to achieve such domination, it is in the interest of all other nations without exception to oppose this development. Asian equilibrium requires sound organization and thus it is intimately bound up with the growth of regionalism.

Thus regionalism must be the product of cooperation and mutual concern, and in the end it will work only if the nations involved are themselves self-reliant and independent. (Unhealthy dependency is at least in part a psychological condition and, as such, it is difficult to handle.) The major enemy of equilibrium is what might be called engendered or induced anarchy, that is, the deliberately created absence of government. Examples of this are Kampuchea under the Pol Pot regime and Iran in the days when the Ayatollah Ruhollah Khomeini was at the height of his powers. No nation can cope with engendered anarchy. Traumatic social change, like revolution, in which there is conscious effort to offer a new system, can be dealt with; the deliberately induced absence of government cannot.

For a time in the late 1970's, it seemed that much of the world was slipping inexorably into nihilism and that anarchists were destined to come to power everywhere. But with the apparent containment of Pol Pot and Khomeini, the danger appears to have diminished. The lesson should be clear to all in the region, Communist and non-Communist alike, that we would do well to stand together against any engendered anarchy should it surface.

KAMPUCHEA

The main source of disequilibrium in Southeast Asia today is Kampuchea. That tragic wretched country may not be the cause of all the region's troubles but

it certainly contributes to them. For instance, Vietnam's enormous economic problems, as well as its ruined relations with its neighbors, are directly traceable to Kampuchea and Hanoi's ventures there. Thailand remains anxiety-ridden because of its festering border problem with Kampuchea, and because of the vast number of Khmer refugees Thailand is obliged to assist. China, goaded by what it considers Vietnamese hegemonism in Kampuchea, has been driven to open warfare against Hanoi and continues to seek ways to bleed Vietnam in Kampuchea. Hanoi's invasion of Kampuchea pushed ASEAN toward joint military arrangements, a direction considered unhealthy by many. Soviet support of Vietnamese adventurism in Kampuchea—funding the war there and backing the effort diplomatically at the United Nations—has driven Moscow's stock in Southeast Asia to its lowest level in more than a decade. Thus, almost every development and every relationship in the region has been affected—and almost always adversely affected—by Kampuchea.

The regional disequilibrium caused by Kampuchea will continue until peace and stability are reestablished there. Some new governing structure is needed. It must be acceptable to the Khmer contenders,¹ as well as to interested outside parties, chiefly Vietnam, China and ASEAN; it must be a shared power arrangement, perhaps a united front; and it must make concessions to Khmer nationalism.

Settlement of the Kampuchean problem has been attempted by the ASEAN states, working both in the United Nations and independent of it. Hanoi has also made some gestures but little has come of these efforts. The only assured solution, a settlement imposed by outsiders, perhaps by the United Nations, is beyond the realm of reality. Therefore, for the moment there is no promising means of settling the Kampuchean issue. At this writing, hopes are being pinned on a Geneva-type international conference.

Cultural-psychological factors and attitudes peculiar to Asia continue to contribute to disequilibrium. There are ancient ethnic antipathies and linguistic hostilities, and charges and countercharges totally misrepresent the degree of the threat. A growing Soviet naval presence will also have a destabilizing effect. So will a change in China's "coexistence" policy or an altered Chinese attitude toward the assorted indigenous insurgent forces in the region, which it now does not aid but refuses to disavow. Sharp strategic differences might develop between Beijing and Tokyo, for example. Problems could arise out of regional economic inequality or increased economic rivalry that might trigger a return to the ultranationalism of the Sukarno era.² Thus the potential for disequilibrium in Southeast Asia remains dangerously high.

The central factor in the geopolitical struggle in Southeast Asia is the Sino-Soviet dispute, which affects

¹Three Khmer factions have formed a government-in-exile to fight the Vietnamese-imposed Heng Samrin government. See the article by David Chandler in this issue.

²Indonesian President Sukarno ruled from 1945 to 1967. For an overview of his policies see the article by Geoffrey Hainsworth in this issue.

both the triangular superpower competition and the interregional power struggle. Even if this titanic dispute now is being transformed into a new configuration, as many Southeast Asians firmly believe (a belief reinforced in October, 1982, with the start of bilateral talks between the two disputants in Moscow), its centrality will only be redefined, not diminished. Whatever China and the Soviet Union may agree or agree not to disagree about—whether it be territorial claims, dagger point confrontation by the most heavily concentrated force of arms the world has ever witnessed along a seemingly endless common border, Vietnamese intrusiveness in Kampuchea, Soviet submarines at Cam Ranh Bay—the struggle between them for power and influence in Southeast Asia is destined to continue.

Despite its size and proximity, China has difficulty competing with the Soviet Union. It can operate reasonably well with respect to Laos, Vietnam, Kampuchea and Thailand, but beyond the Indochina peninsula China simply lacks the military wherewithal to offer a credible challenge. Further, it is seriously inhibited in its dealings with certain ASEAN states, particularly Indonesia and Malaysia, where anti-Chinese antipathies often reach pathological levels. China has tried to create a united anti-Moscow front across Asia, but in this it has been no more successful than has the Soviet Union, with its mutual nonaggression treaty approach. Still the Chinese influence, pervasive and subtle, is bound to increase in Southeast Asia in the years ahead, although the manner and direction this will take is difficult to calculate.

The record of Soviet diplomacy in Southeast Asia, as well as elsewhere in Asia, is not particularly impressive. Over the years Moscow has not handled China well, nor were its early dealings with Vietnam very skillful. The Soviet Union missed enormous opportunities in Japan. In Southeast Asia, its most serious venture was in Indonesia under Sukarno, which ended in failure.

Historically, Soviet interest in Southeast Asia has been only nominal; the area has less strategic importance to the U.S.S.R. than almost any other region. This may be changing. Judging by past performance, the basic Soviet objective in Southeast Asia seems to be ideological dominance achieved without war. This theme—dominance without war—explains virtually every action taken by the Soviet Union in the region in recent times. More specific current Soviet objectives appear to be: to intimidate Japan in its efforts to move into the region, particularly to block geopolitical or noneconomic moves; to discourage resurgent United States interest and involvement in Southeast Asia; to woo ASEAN nations and at least nullify their influences; to increase Soviet naval, air and military presence; and above all, to neutralize China, isolating it militarily and psychologically.

The Soviet Union is clearly determined to increase

its military presence in Southeast Asia and to translate this if possible into political power. What is not clear is the extent of its ambition. Normally, Soviet operations in Asia are opportunistic but always conservative in terms of taking risks. Moscow pushes and exploits a perceived opportunity until resistance stiffens or significant opposition develops and then pulls back. It is likely that in the future the Soviet Union will be more directly involved in regional affairs in Southeast Asia and that its increased presence will continue to generate counter policies by China, ASEAN, the United States and Japan.

The test of Soviet policy will come in Vietnam. It is likely that the present marriage of Moscow and Hanoi is one of convenience for the U.S.S.R. and one of necessity for the Vietnamese. Probably the relationship is neither so close nor so durable as is generally believed. Vietnam could well become the pawn sacrificed by the U.S.S.R. in a realignment of its relations with China.

In addition to other post-Vietnam War changes in the region, the Soviet presence means that a new superpower triangular relationship has emerged on the Southeast Asian scene. Still to be determined is the ultimate shape of this triangle: equilateral, isosceles or right-angled. Inevitably, there will be a continuing struggle for power and influence. This is normal and healthy and not necessarily a cause for alarm. Eventually, relations among the United States, the Soviet Union and China in the region may prove to be relatively harmonious. Certainly there is greater potential for United States-Soviet compatibility in Southeast Asia than in other areas of the world. In time, this also may prove true of Soviet-Chinese relations.

In the future, the United States may be cast increasingly into the role of a go-between and/or buffer between the Soviet Union and China, and also between those two and the region itself. This could require United States assurances and guarantees to the ASEAN nations that the Soviet naval presence in the region is legitimate and benign (if indeed such is the case), or that the Soviet Union is not scheming to trap them in an anti-China plot, as China constantly charges. Already the United States is under ASEAN pressure "to keep Moscow off our backs," as one ASEAN official has phrased it. The United States also may have to assist—by offering guarantees—in dis-

(Continued on page 179)

Douglas Pike is a retired United States Foreign Service officer who has spent most of his adult life in Asia. During his government service he was generally acknowledged as the United States government's leading expert on Vietnamese communism. The author of five books dealing with Indochina, he also served in the State Department Policy Planning Council under Secretary of State Henry Kissinger.

"Because no dramatic breakthrough in Cambodia would serve the interests of any nation now interfering in its affairs—although it would favor one contending Cambodian faction or the other—the prospects of continued stalemate, gradually shifting in Vietnam's favor, appear likely for the remainder of the 1980's."

Strategies for Survival in Kampuchea

BY DAVID P. CHANDLER

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THERE are several fruitful ways of examining developments inside Kampuchea (Cambodia) since the end of 1981. First, they can be seen in terms of the interests of China, the United States, and the Soviet Union. A related approach is to study Cambodia's recent history in terms of the interests of nearby nations, like Thailand, Vietnam and the Association of Southeast Asian Nations (ASEAN); a third approach is to see developments in Cambodian terms.

These approaches, of course, must be given a historical dimension. United States policy toward Cambodia, for example, is largely a post-Vietnam War anachronism, born of the United States humiliation. China's support of Pol Pot's Democratic Kampuchea (DK), to a large extent, reflects commitments it made in the mid-1950's and restated 20 years later, to support an anti-Vietnamese government in Phnom Penh.¹ Unless they are viewed simply in terms of "world domination," the interests of the Soviet Union are less easy to explain historically, although the loyalty of the Vietnamese Communist party (VCP) to the Soviet Union has lasted more than 50 years. The Soviet support of Heng Samrin's government—the People's Republic of Kampuchea (PRK)—like China's support of Pol Pot and the Sino-Soviet split itself, contains a strong ideo-

logical component and therefore elements of sincerity. In Southeast Asia itself, Thai fears of Vietnamese expansion, probably unjustified in military terms, are certainly useful in generating foreign support for the Thai regime. These fears are nonetheless genuine in the sense that they crop up in conversations with Thais in many walks of life. As for Vietnam, after what the country has gone through since 1945, it would be absurd to suggest that its suspicion of the West and its longing for a buffer zone between itself and Thailand can be traced primarily to an ambition to dominate the rest of Southeast Asia. ASEAN's interests are impossible to place in a historical context, although it is not surprising, perhaps, that Singapore and Thailand are taking the lead in defending policies that are simultaneously anti-Communist and pro-Chinese.²

Even though Heng Samrin's People's Republic of Kampuchea is to a large extent a creation of Hanoi's, and Pol Pot's Democratic Kampuchea is a client of Beijing's, their policies and antagonisms cannot be explained primarily in Chinese or Vietnamese terms. The two regimes, in fact, represent antagonistic strains in the Cambodian radical movement, which can be dated to the end of World War II.³ Very roughly, what became the Pol Pot faction seized control of a pro-Vietnamese Communist party in Phnom Penh in the early 1960's. During its years in power, this faction increasingly stressed an ideology that emphasized self-reliance, nationalism, the primacy of poor peasants and an admiration for Maoist China. The pro-Vietnamese wing of the party, purged in the 1960's and again after 1973, was without a voice during the Pol Pot era. Nearly a thousand members of the pre-1960 Cambodian Communist party, who had gone into exile in Vietnam at the end of the first Indochina War, were killed at the behest of the Communist party of Kampuchea (CPK) when they returned to Cambodia, ostensibly to work for the revolution, in 1971–1973. A handful of these figures survive. All of them occupy important positions in Heng Samrin's Vietnamese-supported regime.⁴ Ideologically, this wing of the movement has looked for its leadership among the working class and has accepted guidance from Viet-

¹For a discussion of China's policies at the Geneva Conference in 1954 that draws on the research of Francois Joyaux, see Wilfred Burchett, *The China-Cambodia-Vietnam Triangle* (London: Zed Press, 1981), pp. 27-44.

²See for example Lan Teik Soon, "ASEAN and the Cambodian Problem," *Asian Survey*, June, 1982, pp. 548-560; Sheldon W. Simon, "Cambodia and Regional Diplomacy," *Southeast Asian Affairs* 1982 (Singapore, 1982), pp. 196-210; and Evelyn Colbert, "Changing Roles in Southeast Asia: ASEAN, Indo-China and the Great Powers," *Contemporary Southeast Asia*, June, 1982, pp. 76-85.

³See Ben Kiernan, "Origins of Khmer Communism," *Southeast Asian Affairs* 1981 (Singapore, 1981), pp. 162-180, and David P. Chandler, "Revising the Past in Democratic Kampuchea: When Was the Birthday of the Party?" *Pacific Affairs*, summer, 1983.

⁴See Ben Kiernan, "Kampuchea 1979-1981: National Rehabilitation in the Eye of an International Storm," *Southeast Asian Affairs* 1982, pp. 167-195. See also Peter White, "Kampuchea Wakens from a Nightmare," *National Geographic*, May, 1982, pp. 590-623.

nam (the Socialist Republic of Vietnam, SRV). Whereas Democratic Kampuchea was engrossed in the idea of fighting a purely *Cambodian* revolution, the current Kampuchean government has been quick to recognize its links with the international Communist movement and with the revolutions taking place in Laos and Vietnam.

Turning toward what we can assume to be the interests of ordinary people inside Cambodia, it is important to note, as William Shawcross has pointed out, that their interests have rarely been considered by outside nations formulating policies toward Cambodia.⁵ Ordinary Cambodians had little effect, after all, on the United States decision in 1973 to rain twice as many tons of bombs on Cambodia as it had dropped on Japan in World War II. Similarly, they played little part in Vietnam's decision to support Pol Pot's regime, knowing it to be murderous until it was attacked itself; nor did they affect China's decision to support Pol Pot from 1975 until the present. What the bombing did to Cambodians and what Cambodians did to one another had little effect on realpolitik. The Pol Pot regime itself, to put it mildly, placed the well-being of the Cambodian people rather low on its agenda. By the time it was overthrown, at least a million people inside the country had died of regime-related deaths, i.e., from starvation, overwork, malnutrition, previously controlled diseases (like malaria), and from successive purges and executions. Perhaps half the deaths occurred in the final months of the regime.

The conscious policies of Pol Pot's regime must be reviewed in detail so we can understand what has taken place in Cambodia since 1979, and why post-Communist Democratic Kampuchea (the Coalition Government of Democratic Kampuchea) has chosen to turn its back on so much of its own behavior.

THE POL POT REGIME

In the first place, Democratic Kampuchea restricted many freedoms that Cambodians had taken for granted, such as the chance to move about from place to place, or to eat their meals together in family groups. The regime also abolished services that had been enjoyed by the urban and quasi-urban segments of the population. These included secondary schools and universities, Western-style cultural accoutrements and medical facilities, postal services, telephones, newspapers, salaries and banks. Markets, personal property and money itself were also done away with. Religious practice of any kind was forbidden; the Buddhist monastic order was defrocked. Leisure time was restricted

⁵See William Shawcross, *Sideshow: Nixon, Kissinger and the Destruction of Cambodia* (New York: Simon & Schuster, 1979), especially pp. 161ff.

⁶See Chanthou Boua, "Observations of the Heng Samrin Government," in David P. Chandler and Ben Kiernan, eds., *Revolution and its Aftermath in Kampuchea* (New Haven: Yale University Press, 1983).

to three days a month throughout the entire year.

Most important, perhaps, after 1976 more and more rice was hoarded by the army, stocked by the regime and sold abroad, while food rations throughout the country (except for those few favored by the regime) fell to starvation levels. Interviewers since 1979 have found that the most widely shared memory of the Pol Pot regime among Cambodians is that after 1976 there was hardly ever enough to eat.

The popularity of the regime was never high, and people as individuals never mattered to its leaders. Despite its public statements, the regime distrusted the people whom it governed. When faced with a life and death struggle against Vietnam, for example, the party leaders were unwilling to arm the population and refused to stand and fight, preferring to leave Phnom Penh in many cases by rail, an ignominious departure resembling the flight of Prime Minister Lon Nol and the Americans four years earlier. The invading Vietnamese themselves and the Cambodians who accompanied them faced hardly any popular resistance. Indeed, the evidence suggests that nearly everyone in Cambodia regarded the Vietnamese as having saved them from the horrors of the Pol Pot regime.

These horrors in truth provided a basis for the relative popularity of the Heng Samrin regime, and Pol Pot's policies presented the Vietnamese and the new regime—the People's Republic of Kampuchea—with a reverse image of the program they soon began to set in motion. Thus by the middle of 1980 nearly all the institutions that had been dismantled by Pol Pot—schools, money, urban life, religious observance and so on—had been revived.⁶

In spite of its popularity, however, few Cambodians inside the country expect the Heng Samrin regime to preside over a resuscitation of the ancien regime that prevailed in Cambodia and especially in Phnom Penh before the Pol Pot era. Too many of the old elite have died or left the country. Too many Cambodians who have stayed behind have become impatient with the idea of resuming subservient positions. Everyone has learned enough Marxism, willingly or not, to understand that the "good old days" were "good" only for the Cambodian elite.

This is not to say that hundreds of thousands, perhaps even millions, of Khmer might prefer to have some sort of non-Communist government in Phnom Penh without any Vietnamese troops or officials, but these thoughts are overshadowed by the nearly universal fear that tampering with existing political arrangements will lead directly to the return to power of Pol Pot. In this ambiguous context, it is difficult to write about the feasibility of "free elections," as stipulated in several ASEAN-sponsored resolutions. For one thing, the current regime has no interest in promoting political dialogue inside Cambodia and would call any non-Communist, "bourgeois" victory at the

polls invalid. It is ironic, of course, that the leaders of ASEAN states feel free to impose a liberty on Cambodia that they are unwilling to offer to their own electorates.

THE VIETNAMESE MODEL

The history of open, confrontational politics in Cambodia itself is very short. Since the first election in 1946, very few Cambodian elections could be classified as "free" rather than as celebrations of the status quo. All the same, given the reservoir of popularity that Heng Samrin has commanded since he came to power, it is distressing to notice how closely the regime controlled the results of the elections to the National Assembly, which took place in May, 1981, and how slavishly the constitution, promulgated two months earlier, followed its counterpart in Vietnam.

As Timothy Carney has suggested, Kampuchea's constitution is modeled on the constitution of Vietnam, particularly in its operational provisions, which define the powers of the National Assembly, the Council of Ministers, and the Council of State.⁷ While the Communist character of the regime is less explicit in the Cambodian document, a great many articles in the Cambodian constitution appear to have been lifted word for word from the constitution of Vietnam.⁸ Acceptance of a Vietnamese model, of course, is in keeping with the tradition of Cambodian radicalism that the PRK represents, just as the far more radical constitution of Pol Pot's regime, promulgated in 1976, offered its leaders a vehicle for a different ideology.⁹

At the beginning of March, 1981, the Heng Samrin regime also disseminated a detailed set of guidelines dealing with the forthcoming elections to the Cambodian National Assembly.¹⁰ As broadcast in full over the national radio, the guidelines suggest that the regime was eager to deepen its legitimacy by conducting

a genuine election and that its leaders and their Vietnamese advisers felt it was important to monitor all the candidates, limit the campaign, and control the outcome. Article 24 of the guidelines reads as follows:

The number of candidates should be greater than the members of the National Assembly fixed for the constituency, in order to allow voters a choice in the elections.

In article 32, the guidelines also asked voters to "delete the names of candidates for whom [they] do not wish to vote." When the election results were broadcast later in the month, it became clear that in all electorates, the only candidates who failed to be elected were those occupying the last place or the last two places on the ballot.¹¹ The success of candidates occupying higher positions was overwhelming. In Phnom Penh, for example, out of over 150,000 votes cast, only 754 people crossed out the name of Heng Samrin, running in first place, and only 1,349 voters failed to endorse the secretary general of the central committee of the Kampuchean People's Revolutionary party (KPRP), who occupied the second position.

At the time, foreign observers, including several who know Cambodia well, reported a heavy turnout, orderly voting, and a festive atmosphere at the polls, even though the reported turnout of more than 99 percent of all registered voters in several areas appears to be statistically unlikely.¹² The voters were not instructed to choose a National Assembly, if the results reported over the radio are correct; instead, they were apparently told to cross out the names of "superfluous" candidates, placed conveniently at the foot of every ballot.

Even in a less manipulated election, the regime might easily have attracted as much as 80 percent of the vote in gratitude for the regime's protection against Pol Pot and in support of its social policies. But the regime is nonetheless heavily dependent on Vietnamese advice, particularly in matters affecting defense, foreign affairs and political orientation.¹³ The KPRP (Kampuchean People's Revolutionary party) itself, including its acronym, is a resuscitation of a Communist party established in 1951 under the supervision of Vietnam. Despite 30 years of history and a decade of revolutionary change, the name of the party suggests that as far as the Vietnamese are concerned, socialism in Cambodia is in its infancy. At later stages, presumably, the party can become a "Workers' party," and finally a "Communist" party, like its counterpart in Vietnam.¹⁴ Similarly, while ordinary Cambodians and the regime in particular have every reason to be grateful for Vietnamese help in bringing their country back to life, it is difficult to justify (at least in terms of Cambodian nationalism) the subservient apologies for Vietnamese history and politics that are spooned out so often by Radio Phnom Penh and by the weekly official press.¹⁵

⁷Timothy Carney, "Kampuchea in 1981," *Asian Survey*, January, 1982, pp. 78-87.

⁸For the two texts, see Albert P. Balustein and Gisbert H. Flanz, *Constitutions of the Countries of the World* (Dobbs Ferry, N.Y.: Oceana Press, 1982).

⁹See David P. Chandler, "The Constitution of Democratic Kampuchea (Cambodia): The Semantics of Revolutionary Change," *Pacific Affairs*, fall, 1976, pp. 506-515.

¹⁰For the text of the guidelines, see United States, Foreign Broadcast Information Service, *Daily Broadcasts Asia and the Pacific* (hereafter FBIS).

¹¹FBIS, May 5, 1981.

¹²FBIS, May 7, 1981.

¹³See especially John McBeth, "Bureaucrats from B68," *Far Eastern Economic Review*, October 15, 1982, pp. 16-17.

¹⁴See Chandler, "Revising the Past," *op. cit.* In 1960, the KPRP changed its name to the Worker's party of Kampuchea; the party assumed the name Communist party of Kampuchea in 1966, which put it on the same level as the Communist party of China, and "above" the then Workers' party of Vietnam. See also FBIS, June 28, 1982.

¹⁵See, for example, FBIS, July 21, 1982 and August 18, 1982, setting forth procedures throughout Cambodia for celebrating Vietnam's national day.

In any case, there is much that is popular and apparently benign about the Heng Samrin administration of Cambodia, although other aspects might appear to be coercive. At the same time, several policies retain a relatively tentative flavor, probably because neither the Vietnamese nor their protégés are eager to push the lower levels of the regime (drawn almost entirely from people without revolutionary credentials) or the rest of the population very hard. For this reason, "solidarity groups" (*krom sammaki*), communal working parties of approximately 10 to 12 families each, are still the norm in the countryside, instead of more rigid institutions, such as cooperatives or communes. Educational textbooks, nonexistent under Pol Pot, now cover a wide range of subjects without a recognizable political bias. Traders are allowed to circulate throughout the country; no taxes are levied on anybody's income; and people leaving the country to take refuge in Thailand find it easier to do so than under Pol Pot, where escape was considered to be treason and punishable by death.

This "live and let live" policy that no potentially totalitarian state can sustain for very long is probably the source of the regime's continuing popularity. The survival of a Cambodian state with little resemblance to Pol Pot means far more to its people than the fact that Heng Samrin is a client of Hanoi; for Cambodians, socialism in the future is preferable to what they remember of communism.

On September 27, 1982, the People's Republic of Kampuchea had been in power in Phnom Penh for as many months and days as the Pol Pot regime. In January, 1983, Cambodians were celebrating the fourth anniversary of the liberation of Phnom Penh; January 7, the day when Vietnamese and Cambodian troops arrived in Phnom Penh in 1979, is now National Day.¹⁶ Because the Heng Samrin regime came to power on the wings of an invasion and because the invasion was unacceptable to the United States and China, and their anti-Soviet allies, the flag of Pol Pot's Democratic Kampuchea still flies outside the United Nations in New York.

¹⁶FBIS, July 1, 1981; it replaced April 18, the day on which Communist forces had liberated Phnom Penh in 1975.

¹⁷Dessaix Anderson, personal communication.

¹⁸FBIS, September 9, 1981.

¹⁹See Democratic Kampuchea, Permanent Mission to the United Nations *Press Release* No. 075/82, and also Kiernan, "Kampuchea in 1979-1981," *op. cit.*, pp. 183-184.

²⁰See Jacques Bekaert, "The Khmer Coalition: Who Wins, Who Loses?" *Indochina Issues*, September, 1982, and also François Grunewald, "L'impossible coalition," paper presented to Princeton University Conference on Kampuchea, November, 1982. For the PRK reaction to such a coalition, see FBIS, September 24, 1981: "How can a monkey, a dog and a cat stay together?"

²¹FBIS, December 7, 1981.

²²FBIS, April 23, 1982 (emphasis added).

At a three-day conference on Cambodia at Princeton University in November, 1982, a United States State Department official remarked in a speech that it was "very complicated" to explain why the flag of such a regime, deposed for so long, should still be honored in New York.¹⁷ In an interview with a French reporter, however, Heng Samrin found it relatively easy to list the basis for the legitimacy of his regime, saying that

we have the territory, we have the inhabitants, we have the army, we have a revolutionary administration, a National Assembly and a Constitution.¹⁸

Nonetheless, every year Heng Samrin's People's Republic has received less and less support, in votes cast at the United Nations.¹⁹ Instead, an increasing majority of United Nations members have supported the idea of free, United Nations-supervised elections inside the country, and have voted to retain Pol Pot's seat at the United Nations, partly on the basis of his regime's own declarations that it has abandoned all its former domestic policies, and partly because in 1981-1982 non-Communist partners joined with Pol Pot to form a coalition dictated by necessity, the cold war, and the interests of the anti-Soviet bloc.²⁰

THE COALITION GOVERNMENT

Before discussing this coalition, the "transformation" of the Pol Pot regime itself deserves brief examination. On December 6, 1981, the Communist party of Kampuchea (CPK) central committee announced that the party had been officially dissolved.²¹ Its communiqué asserted that the decision had been made after extensive consultations with the people at large, and it pledged to follow the program of the anti-Vietnamese front, a coalition government, "for as long as decades or even a century." The communiqué admitted that "in the process of its work, the CPK has had both virtues and weaknesses," but added that "the virtues . . . have prevailed." Among these "virtues," perhaps, are several members of the CPK central committee, including Khieu Samphan, Nuon Chea, and Ieng Sary, who retain important posts in the exiled government, while Pol Pot, the secretary general of the CPK central committee, remains in control of approximately 40,000 armed men and women loyal to the regime. Ieng Sary's wife, Ieng Thirith, whose sister is married to Pol Pot, pleaded with a French journalist in April, 1982:

People must believe us. We are sincere. Nothing remains of the Communist system among us. The Party has been dissolved and its principles abandoned. We have restored religious beliefs, private property and individual freedoms.²²

Despite such pleas, most observers assume that the dissolution of the CPK has not taken place, and that its central committee continues to survive in secret.

The president of the recently formed coalition, the "new" Democratic Kampuchea (Coalition Government of Democratic Kampuchea), Prince Norodom Sihanouk, has expressed his own doubts; and DK spokesmen, when pressed to describe the kind of government they would establish in Phnom Penh should the exiled coalition return to power, have not been as specific as repentant ex-Communists might be expected to be.

After many false starts, a coalition government militarily dominated by Democratic Kampuchea and retaining DK's name was formed along the Thai-Cambodian border in July, 1982. The two major non-Communists in the coalition are Prince Sihanouk, who ruled Cambodia as King, Premier and chief of state between 1941 and 1970, and Son Sann, a distinguished Cambodian elder statesman, much respected by Cambodians living overseas.²³ Both men have frequently voiced their disquiet about the behavior of Pol Pot in 1975-1978, but have apparently swallowed their pride, for the time being, in order to benefit from Chinese and ASEAN support as well as from any military defeats that Pol Pot's forces may be able to inflict on the Vietnamese. In international terms, as PRK spokesmen were quick to notice, an important purpose of the coalition was to present the United Nations with an anti-Communist alternative to the PRK and to the "old" DK as well, even though the non-Communist elements controlled less than one-fourth of the DK armed forces and hardly any people with combat experience or military training.

The sponsors of the coalition in ASEAN and elsewhere have not addressed several outstanding questions. How would Vietnam's interests be served if a non-Communist (and presumably anti-Vietnamese) regime were installed, with foreign assistance, in Phnom Penh? Whose interests would be served if Pol Pot's regime returned to power? Do the long-term interests of ASEAN depend on continuing to treat Vietnam as a pariah? What hopes exist that ASEAN-sponsored military forces, the bulk of them commanded by Pol Pot, will defeat the combined armies of Vietnam and the Heng Samrin regime? How popular inside Cambodia are Sihanouk and Son Sann?²⁴

INTERNATIONAL IMPLICATIONS

Just as it is "very complicated" to explain why Pol

²³See Elizabeth Becker, "The Quiet Cambodian," *The New Republic*, January 20, 1982. See also *Far Eastern Economic Review*, June 25, 1982.

²⁴See Sheldon Simoni, "Kampuchea: Pawn in a Political Chess-Match," *Current History*, December, 1980, pp. 170-174, and Michael Leifer, "Kampuchea in 1980: The Politics of Attrition," *Asian Survey*, January, 1981, pp. 93-101.

²⁵Lau Teik Soon, "ASEAN and the Cambodian Problem," *op. cit.*, p. 548. See also Khien Theerawit, "Thai-Kampuchea Relations: Problems and Prospects," *Asian Survey*, June, 1982, pp. 561-566.

Pot's flag is still honored at the United Nations, one comes away from the literature on the international dimensions of the Cambodia "problem" with the impression that spinning out the game of confrontation offers bureaucrats in several nations various rewards not related to improving conditions inside Cambodia or inside the refugee camps in Thailand. The status quo, in other words, appears to be moderately pleasing and not especially costly to all the major powers. The Soviet Union's patronage of Vietnam, for example, enables it to maintain a foothold in a portion of the world long closed to it. China's patronage of Pol Pot is an inexpensive way of honoring Maoist ideas of revolution and of keeping Vietnam off balance. For the ASEAN states it makes geopolitical sense to agree with China on this issue, and if ASEAN follows the Thai lead in this matter, it may be able to ask Thailand to follow ASEAN when issues come up that are more important to outlying states.²⁵ By following ASEAN's lead, in turn, the United States has been able to appear inexpensively benign, while maintaining its influence in the region. Japan has probably chosen to support ASEAN with one eye on its own commercial prospects in Southeast Asia, and the other on the China market.

Thailand gains several benefits from the stalemate. Its alliance with China has thrown its own Communist party into disarray; its confrontation with Vietnam responds, without bloodshed, to popular fears that Vietnam plans to govern Thailand; and its backing of Pol Pot, Son Sann and Sihanouk means that it has placed its bets on three quarters of the horses on the track. On the other hand, very few benefits would appear to be flowing toward Vietnam, which needs the money it is paying its army in Cambodia to pay other expenses. Vietnam would prefer to see its client regime in Phnom Penh treated by the outside world like the pro-Vietnamese regime in Laos. In other words, the situation as it stands is painful and costly to Vietnam, and pleasing and inexpensive to Bangkok.

It is foolhardy to predict what might happen in Cambodia over the next few years. Several prospects are unlikely. First, Vietnam will not allow a non-Communist government to come to power in Phnom Penh, although ordinary Cambodians may feel some goodwill toward a potential non-Communist government because of the exemplary behavior of Son Sann (behavior by no means the rule among his entourage). And Sihanouk, especially among elderly Cambodians, may well be thought of as an embodiment of the "good old days," rather than as the ancien regime. But polit-

(Continued on page 183)

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"The beleaguered Lao republic may have reached the bottom in its efforts to impose a collectivized state-planned economy on an impoverished, complaisant country . . . the party leadership has slowed the pace of socialist construction, and is experiencing tensions between its foreign policy and alignment with Vietnam, and its practice of preferring concrete aids or trade relations without regard to ideology. If such pragmatic policies continue, Laos may begin to measure genuine economic development."

Laos: Bottoming Out

BY MACALISTER BROWN

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THE Lao People's Democratic Republic (LPDR) is only seven years old, but several events have already set patterns for its future. With the Vietnamese decision of 1978 to crush the insubordinate Pol Pot regime in Kampuchea, the Lao People's Revolutionary party (LPRP) abandoned the more prudent role of potential conciliator and aligned itself squarely with the Socialist Republic of Vietnam (SRV). This exposed Laos to punitive incursions by its northern neighbor, the People's Republic of China (PRC), which supported Democratic Kampuchea. During 1979, this more hazardous foreign policy was supplemented by a conservative retrenchment of domestic economic policy, a slower and more pragmatic approach to the task of socialist construction. A new Lao Front for National Construction was formed in February, 1979, replacing the previous revolutionary organization, the Lao Patriotic Front. The following year, the fledgling republic celebrated its fifth anniversary with a colorful effort to demonstrate socialist solidarity and achievement. And in early 1982 the LPRP, the vanguard of the revolution, held its third party congress, its first since coming to power in December, 1975. Each of these events is significant for the future development of Laos.

The economic policy shifts of 1979 may be the most important milestone in recent Lao history, even though their impact is hard to measure. The first years of the Lao republic were plagued not only by the upheaval and uncertainties created by the overthrow and flight of the ruling military, political and commercial elite of the previous royal regime, but also by successive natural calamities—floods in 1978 and droughts in 1977. Unusual amounts of grain had been imported with United Nations Development Program emergency assistance, supporting a nation whose produc-

tion potential was within reach of self-sufficiency. Yet the continuing shortfall in rice production was rooted not only in adversities of nature but also in the negative incentives imbedded in the new regime's policies of "socialist construction."

The most questionable of these policies for moving Laos into economic self-reliance and development was the tax on agricultural production imposed in 1976. Not only was it unprecedented in the previously "unliberated" areas, but it also stimulated many peasants to produce less (since the tax was graduated for larger crops) or to cut down their orchards or herds of livestock to avoid taxation. A drive to collectivize agriculture was launched in May, 1978, with the rapid formation of labor-produce cooperatives, compounding the resentment and recalcitrance of peasants toward the new government. By the end of the year some 1,600 cooperatives had been organized throughout the country, and the total rose to over 2,500 in the following year. The cooperatives included about 20 percent of all peasant families, but the price for such nominal socialist victories was becoming prohibitive.

A large disparity in the number of cooperatives organized in different provinces suggested that the implementation of central government directives was uneven, and in November, 1978, a special committee (with a close connection to Prime Minister Kaysone Phomvihane) was established to guide the process.¹ Even where the requisite targets were met, however, the viability of the cooperative method of cultivation was questioned by international agricultural specialists. In June, 1979, Soviet Premier Aleksei Kosygin reportedly advised Lao Vice Premier Nouhak Phoumsavan to halt the cooperativization process before great numbers of peasants fled to Thailand.² One of the root difficulties was the coercive methods that had been employed by zealous party cadres to reach the government's goals.

A visit by agricultural specialists from the central committee of the Vietnamese Communist party in June, 1979, confirmed what the Lao leadership had

¹M. Stuart-Fox, "Socialist Construction and Internal Security in Laos," paper presented at Asia Studies Association of Australia, 3d Conference, Brisbane, August, 1980.

²Nayan Chanda, in M. Stuart-Fox, ed., *Contemporary Laos* (London: University of Queensland Press, 1982), p. 123.

already acknowledged in the party press:

The political program of the Party and government has stipulated that cooperativization has to be achieved voluntarily and in accordance with common interests and democratic management. But in reality certain regions have not yet properly carried out propaganda. . . . The masses have not yet determined to mobilize, nor acquired adequate political consciousness to volunteer to join cooperatives. In certain (other) regions the masses have been mobilized and forced to join, otherwise they will not benefit from any favors. This was an error.³

In fact it was such a costly error, in terms of popular disaffection and loss of production, that two weeks after the Vietnamese delegation's visit the LPRP central committee suspended any further collectivization during that season. The foundations of the collectivization program began to crumble with this announcement, and by the end of 1979 a major new economic policy was announced by Prime Minister Kaysonke.

A STRATEGIC RETREAT

This new policy was derived from the Seventh Resolution of the central committee of the People's Revolutionary party, and it became a major strategic retreat in the face of natural adversity, popular disaffection, dwindling human resources and uneasy donors of external aid. A confidential report on Laos by the International Monetary Fund (IMF) in August, 1979, had carried considerable weight with a government that received 75 percent of its 1978 outlay from foreign aid and had collected only 8 percent of its anticipated rice tax and 30 percent of its expected revenue from industry and commerce.⁴ In accordance with IMF advice, the stifling restrictions on interprovincial trade were removed in November, 1979, and private traders were allowed to import merchandise freely, as a way to restock the markets and provide incentives for local production and trade. Joint ventures between state and private owners of enterprises were encouraged, and even "foreign capitalists" were told that the door to investment was not closed. The national currency was replaced with a new National Bank kip that was devalued to the prevailing black market rate, and serious efforts were made to maintain this parity and limit the currency in circulation.

Instead of stressing equitable distribution of commodities at government-subsidized low prices, a new policy on prices encouraged more production by providing a better return for the producer. The IMF indicated its approval of the new policies and town marketplaces blossomed with more goods. Thailand's capacity to throttle such progress by imposing a blockade the length of Laos's western border (along the Mekong River) was occasionally felt in 1980 and 1981,

³*Ibid.*, p. 13.

⁴*Ibid.*, p. 124.

⁵Nayan Chanda, "Softly-Softly Socialism," *Far Eastern Economic Review* (FEER), May 28, 1982, p. 23.

but except during such artificially imposed periods of shortage the new economic policies seemed to have gradually mitigated the lackluster economic prospects that have faced the Mekong valley-dwellers since the departure of USAID (United States Agency for International Development) funds in 1975.

Yet Laos remains inordinately dependent on foreign economic assistance, now obtained primarily from the Soviet Union and its East European partners, international organizations, OPEC (Organization of Petroleum Exporting Countries), and a few non-Communist donors like Sweden, India, Japan, Australia and France. The meager export earnings of Laos are obtained from electricity generated at the Nan Ngunum River dam, timber, and a few industrial crops (coffee, tea, peanuts and soybeans). The tin mines, taken from their French owners in 1978, are struggling under Soviet managers to enter the export picture again. A variety of aid projects have been initiated with the support of the International Development Agency (IDA), the Asian Development Bank (ADB) and the UN Development Program to improve agricultural production and training through pilot-farms and to support research, irrigation, plant construction, and veterinary medicine. The national target of self-sufficiency in rice production was apparently reached in 1981 and was proudly announced by Nouhak in May, 1982. With favorable weather, a Swedish cash grant of \$10 million for importing consumer goods, and continuing ideological self-restraint, the government may see the Lao peasantry start producing up to potential. The economic development goals outlined in the first five year plan (1981-1985) can then be taken seriously.

THE FIVE YEAR PLAN

This economic plan replaces an interim measure and coincides with a similar five year plan promulgated in Vietnam. The new plan is less strewn with hollow revolutionary rhetoric about "building socialism" and is more inclined to focus on genuine goals for increasing internal revenue exports and rice production. Four key infrastructure projects will receive major attention (with the help of foreign aid): the north-south highway (No. 13) and east-west highway (No. 9) to Vietnam, an oil pipeline to the port of Da-nang, a cement factory, and a state transport company.⁵

Two negative factors cloud the prospects for the plan, however; the disruptions caused by guerrilla raids of Lao resistance elements organized in Thailand, and the dearth of skilled Lao administrative personnel following thousands of departures across the Mekong River by disillusioned or discredited civil servants. The release from "reeducation" camps of several hundred former officials of the Royal government that started in 1980 has not netted many reliable additions to the service of the new regime, since mutual distrust

seems to persist after five to seven years of detention and political reorientation in rugged mountain camps. The LPDR's best hope for stanching its hemorrhage of skilled manpower lies in the several thousand students who have spent up to six years studying in the Soviet Union and several thousand other students in Vietnam who are now returning to become the next generation of stewards for socialist Laos. Until they have matured enough to take the lead, however, a thousand or more Soviet technicians and advisers and probably three times as many Vietnamese will play a decisive role in maintaining the Lao economy.

The flight of more than 300,000 Lao citizens across the Mekong River since 1975 has depleted Laos's educated and civil servant base by as much as 80 percent and has created a mass of unwanted refugees living in internationally supported holding centers in Thailand. The United States has resettled over half this overflow, but the new arrivals increased from 46,949 in 1979 to 62,383 in 1980, even as economic restrictions in Laos were being eased. The United States Immigration and Naturalization Service and members of the United States Congress asked whether these late arrivals were truly classifiable as political refugees who might suffer persecution based on race, religion, nationality, group or political opinion if they returned home. It was arguable that most of them were economic migrants seeking a better life.

The United States Department of State appointed a special advisory panel in 1981, under retired Ambassador Marshall Green, to evaluate the refugee situation. Was the push of persecution or the pull of third country resettlement the major force in the flow of people out of Indochina? The Green Report of August, 1981, found that among lowland Lao, the majority who had fled were primarily "motivated by a desire to improve their basic living conditions." The panel even concluded that "in the case of many Lao, voluntary repatriation could represent a feasible long-term solution."⁶ Yet they recommended that the United States continue to presume for legal purposes that all those who had fled to date were refugees without examining their motivation. In 1981 a major new element entered the equation, when Thailand instituted a policy of "humane deterrence," or spartan camps for new arrivals, effectively isolating them from resettlement agencies for as long as two years. In 1981, the outflow from Laos dropped by more than half to 25,606. How much of this dramatic shift was attributable to negative feedback from the resettlement pipeline and how much reflected the easier economic policy within Laos is difficult to determine. But the heavy bleeding of lowland Lao from their homeland seems to have subsided to politically tolerable propor-

tions, to the relief of both Thailand and the LPDR. The Hmong refugees were found to be no longer interested in third country resettlement.

DOMESTIC DISCONTENT

To some extent, the flow of refugees from Laos has been regarded as a measure of popular discontent with the revolutionary government. The seasonal ups and downs, in accordance with the flood stage of the river, and the mixture of push and pull factors make the measurement difficult, but nonetheless significant. Without regular elections, a free press, or opposition parties, and with severely restricted diplomatic access to the nation (the United States mission is limited to 12), there are few ways to judge the matter. The organization of Lao resistance groups in exile has attracted growing attention in recent years, but the degree of support their guerrilla activities achieve at home is not publicly established. A few resounding explosions have been set off near Vientiane and the security of major highways has been put into question by harassment raids out of Thailand, but the security of the regime is scarcely in doubt. Even with the infiltration since 1979 of political agitators and intelligence agents into the northern provinces from China, the government finds some assurance in the stationing of 40,000 or more Vietnamese troops in Laos under the provisions of the "special relationship" confirmed by treaty in July, 1977. Of course, a political price is paid for such reinforcement since the Vietnamese presence can stir up ethnic resentment among the lowland Lao and mountain tribes. For this reason the deployment of Vietnamese troops, like the presence of Vietnamese advisers within the government, has been handled with care to reduce their visibility.

Another crude measure of popular reaction to the new republic is the "reeducation" of civil and military officials of the Royal Lao government who did not flee in the summer of 1975. The estimated 10,000 who are thought to be detained in camps located in rugged areas have seen some improvement in their condition over the past seven years, but only a few hundred have been released for reintegration into the new nation. Some inmates have been allowed to invite their families to join them, and the stringencies of work, food and medical treatment have been somewhat alleviated. After months of ritualized study of party resolutions and doctrines, many detainees may prefer to work under the new regime rather than abandon their native land. In late 1980 and January, 1981, several planeloads of "reeducated" survivors were flown to Vientiane without advance notice and were told to await assignment to jobs appropriate to their skills.

One such returnee, a pediatrician, was made available to Western journalists for interviews. He related without apparent bitterness how he had "served" the state in a mountain village near Viengsay during his

⁶United States, Department of State, *The Indochinese Refugee Situation*, Report to the Secretary of State by the Special Advisory Panel, August 12, 1981, p. 12.

five years in detention.⁷ He has now accepted a post at the National Medical College in Vientiane, where experienced Lao physicians are surely needed. A more publicized case reveals another pattern. Speaking from a refugee camp in Thailand in 1981, the former chief of the Geographic Bureau in Vientiane declared that he had been willing to serve the new regime after his release from "reeducation," but no appropriate job had been offered to him, so he fled.⁸ How soon these camps and their political prisoners will have served their dubious purpose remains unpredictable. The camps set up in 1975 to purge the young of the evils of Western culture were terminated after a few years, but political reorientation and trust are not so easily achieved through punitive detention.

YELLOW RAIN

Yet another feature of the revolution that has stirred controversy and outrage is the effort to bring the mountain tribes into the national political and economic fold by moving them from the "slash and burn" cultivation on the slopes into settled villages. For the Hmong, who were mobilized by the thousands to fight the revolutionary Pathet Lao during the 1960's, this campaign has generated fear of punishment and loss of the partial autonomy they sought and obtained during the war. The resistance they have mounted to the government's attempts to determine their way of life has produced a tragic exodus of 130,000 into Thailand and has led to nasty accounts of lethal gas attacks by the Lao air force. These reports of "yellow rain" by Hmong refugees have coincided with similar accounts from the battlegrounds of Kampuchea and Afghanistan and have led the United States State Department to issue detailed charges of gas warfare supervised by the Soviet Union.

An international investigation team authorized by the United Nations General Assembly in 1980 has not been allowed to enter the countries suffering from the alleged attacks, but the United States government has produced two detailed reports of scientific evidence from Kampuchea. The major findings of the first report of March 22, 1982, were that Lao and Vietnamese forces

under direct Soviet supervision, have employed lethal trichothecene toxins and other chemical agents against Hmong resisting government control of their villages since at least 1976; . . . irritants, incapacitants and

⁷Interview by the author and Joseph J. Zasloff with Cham-pathongphet Bangthongsak in Vientiane, December 17, 1980.

⁸Henry Kamm, *The New York Times*, July 5, 1981.

⁹United States, Department of State, *Chemical Warfare in Southeast Asia and Afghanistan*, Report to Congress from Secretary of State Alexander M. Haig Jr., March 22, 1982.

¹⁰United States, Department of State, *Chemical Warfare in Southeast Asia: An Update*, Report from Secretary of State George P. Shultz, November, 1982.

nerve agents have also been employed. Thousands have been killed or severely injured. Thousands have also been driven from their homeland by these agents.⁹

In an update of this carefully prepared study, the State Department recorded refugees' accounts of toxic agent attacks continuing up to June, 1982, with details of the bleeding and blistering symptoms and laboratory analyses of blood samples from victims.¹⁰ Testimony by two defecting Lao pilots and a former bureau chief in the LPDR Ministry of Health has also been adduced to substantiate the charge that the Soviet Union has developed the toxins and made them available to the Vietnamese who, under Soviet guidance, have supervised their use in Laos. The possible motivations for resorting to outlawed gas warfare—cheapness of manufacture, safeness in storage, difficulty in detection, and the ease of testing and evaluation—were listed somewhat inconclusively. The Soviet, Lao and Vietnamese governments have vigorously denied the entire substance of the United States reports on yellow rain.

In contrast to the harsh repression of former Royal officers and dissident mountain villagers, the government attempted to make its fifth anniversary on December 2, 1980, a festive, popular occasion. The capital city of Vientiane was brightly decked with flags and freshly painted walls and buildings, and a bit of the joyous Lao spirit was released at neighborhood celebrations in the evenings. The formal speeches at the That Luang parade ground in the presence of fraternal Communist party delegations from around the world rang with earnest self-appraisal, self-congratulation and renewed determination to forge a better socialist Laos. Not as lavish as a United States presidential inauguration, nor as cleansing, the anniversary offered a sort of stock-taking by the ruling party, and it promised that the future would be brighter in virtually every way.

More significant in terms of setting the course, however, was the third congress of the Lao Peoples' Revolutionary party in April, 1982. Contrary to rumors at the time, the leadership of the party remained unchanged at the seven-man politburo level, but below this the central committee (CC) was expanded from 27 to 55 (including 6 alternate members). The total membership of the party was revealed to be 40,000, a scant one percent of the population, compared to three percent in China and Vietnam. The ethnic composition of the central committee was announced by politburo member Sisomphone Lovansay, the only

(Continued on page 180)

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In Vietnam, "While general living conditions are not good, there are distinct signs that the worst is over and that the travails of the past five years will not repeat themselves. . . . Externally, Vietnam's position is less beleaguered than it was. It is in a militarily unassailable position in Kampuchea [and has] adjusted to the withdrawal of Western foreign aid and assistance."

Vietnam's New Pragmatism

BY CARLYLE A. THAYER

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THE ninth plenum of the central committee of the Vietnam Communist party (VCP) announced in December, 1980, that the fifth national party congress would be held in "the last quarter of 1981," marking the first time in the party's 53-year history that a national congress would be held on schedule. In early November, 1981, however, a communiqué issued by the central committee stated:

The Vietnam Communist Party Central Committee held its tenth plenum from 9 October to 3 November 1981. The plenum fully discussed and reached an identity of view [sic] on a draft report on party building work—two documents that will be submitted to the Fifth Party Congress delegates. To ensure that congresses of delegates at all levels have the necessary time to discuss these draft documents, the party Central Committee tenth plenum decided that the Fifth Party Congress will be held around March, 1982.¹

Both the length of the tenth plenum, a marathon 26 days, and the omission from the communiqué of any mention of the third five year plan (1981–1985), were indications of disagreement within the central committee. Indeed, two further plenary sessions of the central committee had to be held before the fifth congress opened on March 27, 1982.²

A wide variety of issues were the subject of disagreement and debate. Since the fourth party congress in December, 1976, Vietnam's Communist leaders have faced difficult times and have had to make hard decisions. An ambitious second five year plan (1976–1980) had to be scrapped as a result of the onset of the war between China, supporting Kampuchea's former leader, Pol Pot, and Vietnam, backed by the Soviet Union. Increasingly, as the security situation settled into a relatively fixed pattern—seasonal offensives in Kampuchea combined with constant Chinese

harassment and subversion on Vietnam's northern border—and as Vietnam's economy deteriorated, Vietnam's leaders were led to reassess ongoing policies.

At the sixth plenum in September, 1979, and again at the ninth plenum 15 months later, the central committee adopted what are now termed "new economic policies" designed to boost production. In essence, these policy innovations recognize that private enterprise has a role to play during the period of transition to socialism. Piecework rates, bonuses and increased managerial autonomy were introduced into the handicraft and light industrial sectors. Government administrative subsidies were replaced in some areas with a profit-and-loss accounting system. An "end product contract system" was introduced into agriculture, giving family-based units in cooperatives increased incentives to work harder to raise output. The government also boosted the purchase price of mandatory rice sales to the state, bringing rice closer to its market price.

Further, the central committee recognized that many targets set in the second five year plan were too high and they were revised downward accordingly. Additionally, two programs were slowed considerably: the resettlement of families into new economic zones and the pace of agricultural collectivization in the south. Both programs, it was admitted, had been poorly conceived and hastily implemented.

These and other changes provoked continued debate within the party's central committee. However, as the deadline approached for the opening of the fifth party congress, the debate spread downward and outward to all levels of the party and to society itself. Each province party committee was required to convene congresses of delegates at lower echelons before holding the province party congress itself. This process facilitated the spread of the debate, which reached its peak in January, 1982, when province-level party congresses were completed.

Media coverage of these provincial congresses was remarkably frank. Press reports repeatedly stated that "hot topics" had been debated, that discussion was "heated" and that in not a few cases "complete identity of views" could not be achieved.³ Delegates to these

¹Hanoi Domestic Service in Vietnamese, November 3, 1981.

²The eleventh plenum met in early December, 1981, and was followed by the twelfth plenum in March, 1982.

³Instead of a complete identity of views, the media reported that "a high unanimity of views" was reached.

congresses were reported to have made hundreds, thousands, tens of thousands and, in the case of the Hanoi municipal party congress, 150,000 suggestions for changes in the various draft documents to be submitted to the fifth congress.

Economic and leadership issues apparently dominated discussion, not foreign policy or security questions. In one of the few accounts of a discussion on defense and security matters, the report noted tersely that "no dissension" had taken place.⁴ On the question of leadership, the Ha Bac party provincial congress resolved "to expel from the party those who have degenerated, including those holding key posts, because they are obstacles that wreck internal security."⁵

At the national level, the central committee proved unable to reach a consensus on the third five year plan, which had been under consideration for several years. The eleventh plenum (December, 1981) only resolved to approve the main tasks and targets of the 1982 state plan.⁶ The resolutions of the tenth and eleventh plenums were forwarded along with the draft reports for discussion by province level congresses.

The fate of the third five year plan was settled at the twelfth plenum, where it was discussed but not adopted. In light of later events, it appears that a compromise was then reached. Instead of adopting a polished, completed draft plan, the twelfth plenum authorized Premier Pham Van Dong, on behalf of the central committee, to present a less authoritative economic report to the fifth congress. It was made clear to cadres afterwards that this report merely provided general guidelines on the "main orientations, tasks and targets in the economic and social fields for the 1981–1985 period and the 1980's as a whole."

Due to the closed nature of Vietnam's Communist society, it is difficult to be precise about the protagonists in this developing debate. Close observers⁷ of the Hanoi scene claimed to have discerned at least two groupings: ideologues and pragmatists. The former were allegedly in favor of pressing forward with large-scale socialist construction by emphasizing capital investment in heavy industry, by increasing the size of northern agricultural producers' cooperatives and by quickening the pace of collectivization and socialist transformation in the south. The ideologues tended

to disfavor material incentives, market forces and private enterprise.

The pragmatists, on the other hand, designed policies to cope on a practical basis with Vietnam's critical economic situation. Using economic levers like piece-work rates, bonuses, product contracts and other material incentives, they hoped to raise production primarily in the areas of agriculture, light industry and handicrafts. By manipulating prices and by lessening government controls over the distribution and circulation of goods, they believed that they could improve the low living standards of the ordinary family. The pragmatists tended to emphasize the prolonged nature of the period of transition to socialism. In the early stages, they argued, private enterprise had a positive role to play. They also argued that industrial projects should be carefully chosen for their contribution to agriculture and forestry. Only in later stages of development should capital resources be invested heavily in large-scale projects.

The fifth party congress internal debate focused primarily on economic issues. However, the questions of renewing an aging leadership and Vietnam's isolated international position were also discussed. For over 52 years, the party's leadership had been in the hands of a small, cohesive group of men, more adept at revolutionary intrigue and wartime resistance than economic construction. For most of their lives they had cooperated with Chinese and Soviet allies in pursuit of their goals. Many key leaders were in poor health, ill-equipped by education or experience to design economic policies demanding a high level of specialized knowledge. In the area of foreign policy, some party members questioned Vietnam's excessive dependence on the Soviet Union.⁸

THE FIFTH PARTY CONGRESS

The fifth national party congress met briefly from March 27 to March 31, 1982. Its 1,033 delegates presented a facade of unity by quickly adopting without dissent three major draft submissions: the Report of the Central Committee, the Report on Party-Building and the Economic Report. A new leadership was also elected. Each of the reports represented a compromise among contending viewpoints. On balance, the pragmatists seem to have carried the day; but subsequent party plenums revealed that the debate over policy guidelines continues. For example, the third five year plan has not yet been officially adopted.⁹

The central committee's report was presented to the congress by party secretary-general Le Duan. It was a long, rambling document divided into six parts covering the general situation, major tasks for the 1981–1985 period, cultural and social work, strengthening the state apparatus, foreign policy and the international situation, and reform of the party organization. Much of this material was repeated elsewhere.

⁴Hanoi Domestic Service in Vietnamese, February 9, 1982, reports on the Ha Nam Ninh party congress.

⁵Hanoi Domestic Service in Vietnamese, February 23, 1982.

⁶Hanoi Domestic Service in Vietnamese, December 28, 1981.

⁷Michael Richardson, *The Age* (Melbourne), March 29, 1982, and Nayan Chanda, "An Ideologue in Charge," *Far Eastern Economic Review (FEER)*, July 10, 1981, pp. 14-15.

⁸Paul Quinn-Judge, "A Vietnamese Cassandra," *FEER*, February 26, 1982, p. 16.

⁹"Our Monthly Comment," *Vietnamese Courier* (Hanoi), May, 1982, p. 5.

The central committee's report was notable for its admission of party errors and shortcomings. One passage bluntly stated that

difficulties have also stemmed from shortcomings and mistakes of the party and state agencies, from national down to grass-roots levels, in economic leadership and management and in the running of our society. In certain fields, the shortcomings and mistakes in leadership and management have been the main causes leading to, or aggravating, the economic and social difficulties in the past years.¹⁰

These shortcomings and mistakes led the central committee to undertake "a severe self-criticism before the congress." When leadership changes were announced, the members of the politburo held responsible for the problems were treated lightly and were not publicly blamed for their failures.

The Report on Party-Building, delivered by politburo member Le Duc Tho, was equally frank. By 1982, disillusionment and demoralization were widespread in Vietnamese society, a result of shortages of food, medicine, clothing, writing paper and essential consumer goods. At a time of declining living standards and shortages, many party cadres and officials behaved in a less than exemplary fashion. Thus, previous failings of the system—inefficiency, mismanagement, nepotism, bureaucratism—were intensified. Those families with relatives in party and state posts fared relatively better. And according to reports, it was fairly easy for families with connections to arrange draft deferments.

The party had long been aware of these problems. At the fourth national congress, general secretary Le Duan announced that "corrupt and degenerate" cadres would be promptly expelled. In the intervening period, party members were made to apply for membership cards; those found wanting were not reenrolled. An estimated 86,000 persons, or 5 percent of the party's total membership, were dropped by the fifth congress; one-third of the incumbents occupying province-level or lower-echelon posts were turned out of office.

There were other organizational problems facing the party. During the long years of war, party and state bureaucracies had become staffed with aging and unqualified appointees. According to politburo member Le Duc Tho:

Many comrades are advanced in age and physically frail, and their economic and technological knowledge is limited. . . . The composition of the party Central Committee and of various provincial and city party committees fails to reflect the character of succession in building the organs of leadership for the party. Nearly

100 percent of the members of the party Central Committee joined the party before or during the resistance against the French. More than 90 percent of the members of provincial and city party committees joined the party before the anti-U.S. struggle for national salvation and more than 62 percent of the members of these committees gained party membership before 1954.

Shortcomings committed by the party in its economic leadership appear to be partially due to the composition of party committee echelons.¹¹

Increasingly, party officials dominated their non-party counterparts, intruding into areas beyond their competence like the day-to-day running of departments. At local levels, entrenched cadres could block the advancement of younger and better educated persons. These same cadres could delay or deflect the impact of national guidelines. Such was the case in one area where local cadres resisted the adoption of the product contracts in agricultural production.

Le Duc Tho's report candidly admitted these and other shortcomings. Specifically, the self-correcting organizational devices of the party—control committees, democratic centralism, criticism, self-criticism, collective mastery—had failed to respond to these weaknesses and eliminate them.

According to the Party-Building Report, the solution to this problem area at the intermediate and lower levels lay in carrying out three measures simultaneously: "removing unqualified members from the party, recruiting new party members and educating and training party members through work assignments, study sessions, criticism, self-criticism and party discussions." Weaknesses, shortcomings and defects in the organization of the party were not the most important admissions in Le Duc Tho's report. In the past, such deficiencies had been much publicized and were often regarded as merely ritual. The major importance of the Party-Building Report lay in its examination of problems at the top—in the politburo, secretariat and central committee.

In addition to an aging leadership that was physically frail and limited in its economic and technological knowledge, the party faced a structural problem in which the role of the state, including its nonparty ministers and specialists, was underutilized. At a time when economic and managerial skills were at a premium, this problem of underutilization would have to be corrected.

Le Duc Tho advocated promoting younger men and women into positions requiring knowledge of economics and technical subjects and decreasing the involvement of the party in state affairs. He also listed specific recommendations to improve the functioning of the party at the central committee, politburo and secretariat levels; at improving the work of the state bureaucracy, including the Council of Ministers and the State Planning Commission; and at the increasing party control over the military.

¹⁰Hanoi Domestic Service in Vietnamese, March 27–29, 1982; all congress citations are from this source.

¹¹The Report on Party-Building was carried by Hanoi Domestic Service in Vietnamese, April 2–3 and 5–6, 1982; all citations are from this source.

It was left to Premier Pham Van Dong to present the Economic Report¹² outlining the "main orientations, tasks and targets in the economic and social fields for the 1981-85 period . . ." which revitalized party and state bureaucracies would carry out. Dong's report listed four overall objectives to be achieved in the 1980's:

1. To meet the most pressing and essential needs, gradually stabilize and eventually improve to some extent the people's material and cultural life, to bring about a steady solution to the foodgrain and foodstuffs problem; better meet the requirements in clothing, study, medical care, housing, traveling, child care and other essential consumption needs.
2. To continue building the material and technical basis of socialism; to boost agricultural production, the consumer goods industry and exports; strengthen further the technical equipment of the other economic branches; and to make preparations for a more vigorous development of heavy industry in the next stage.
3. To complete the socialist transformation in the southern provinces, further perfect the socialist relations of production in the north and consolidate the socialist relations of production in the whole country.
4. To meet defense requirements, consolidate national defense and maintain security and order.

The references to the development of heavy industry in the next stage, completing socialist transformation and, later in the report, references to the "two paths" (capitalism and socialism) and the stepping up of agricultural collectivization in the south, indicated that the hardliners intended to press their policies once an improvement in the overall economic situation was achieved. In the meantime, the pragmatists had carried the day: product contracts in agriculture, bonuses and piecework rates in industry, priority for food output, the deferral of new construction projects and the reorganization of state management practices would all be continued.

Given the frank and sober nature of the three major reports to the fifth congress, leadership changes appeared inevitable; when they were announced they were without precedent. The most drastic changes occurred in the composition of the 17-member politburo, where six incumbents were demoted. The new politburo was reduced in size to 15 members and consisted of 8 incumbents, 3 alternates promoted to full status, 2 new members appointed directly to full status and 2 new alternates. A massive shake-up also occurred in the secretariat, where five of nine incumbents were dropped.

¹²Pham Van Dong, "*Phuong Huong, Nhiem Vu Va Nhung Muc Tieu Chu Yeu Ve Kinh Te Va Xa Hoi Trong Nam (1981-1985) Va Nhung Nam 80*," *Nhan Dan*, March 30, 1982, pp. 2-6; all citations are from this source.

¹³"The Shake-Up Continues," *Asiaweek*, May 7, 1982, p. 12, observed: "his removal was thus widely seen as a pointer to continued division within Hanoi's leadership over economic direction." Kiet, however, has emerged as a proponent of the product contract system; see Ton Long, "The Purge Goes On," *FEER*, July 9, 1982, pp. 31ff.

The central committee was increased in size by nine percent from 133 to 152 (including 116 full and 36 alternates). Sixty-five new members (30 full and 35 alternates), or 43 percent of the 1982 membership, were newly appointed.

The leadership appointments announced in March, 1982, were intended to preserve continuity (the average age of the 1982 politburo was actually higher than the comparative age of the 1976 politburo), while at the same time introducing a measure of change. Most of the new appointees were younger and had experience in economic management or had been extensively involved in party affairs at the province level. On the basis of the available evidence, the 1982 central committee represents a careful balancing of institutional interests and contending policy advocates.

In April, immediately following the fifth congress, the State Council announced a major government reshuffle involving, among others, the posts of six recently dropped central committee members. Southern strongman and newly appointed politburo member Vo Van Kiet replaced Nguyen Lam, an outspoken pragmatist, as head of the State Planning Commission.¹³

Efforts to strengthen the state bureaucracy predated the fifth party congress. In December, 1980, the Sixth National Assembly (seventh session) formally adopted a new constitution for the Socialist Republic of Vietnam (SRV). A powerful State Council, headed by Truong Chinh, became the "highest continuously functioning body of the National Assembly and the collective presidency." The Council of Ministers, headed by Premier Pham Van Dong, comprising 42 ministries and state commissions, was made subordinate to this body.

The State Council, Council of Ministers and National Assembly have become increasingly involved in regulating the social, economic and political affairs of the ordinary citizen. A continual stream of directives, decisions, laws and regulations have been issued by each of these bodies to strengthen "socialist legality." Three pieces of legislation appear to be especially important: a code governing the conduct of National Assembly deputies, a universal military service law and a new code for serving military officers. It is estimated that over 50 decrees and decisions on improving economic management alone have been issued since the sixth plenum of September, 1979.

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Carlyle A. Thayer last visited Vietnam and Kampuchea in August and September, 1981, as a guest, respectively, of the Institute of Economics and the Ministry of Foreign Affairs of the People's Republic of Kampuchea. While in Hanoi he was granted a lengthy interview with Vietnamese Foreign Minister Nguyen Co Thach.

"The main event on the diplomatic front . . . was the success of long, arduous efforts by Thailand and its ASEAN partners to persuade the Khmer resistance forces to form a coalition against the Vietnamese-supported Heng Samrin government in Kampuchea. . . ." But on the other hand, "there was an undercurrent of anxiety over too close an involvement with Khmer coalition-building."

Thailand: Implementing a New Plan

BY ASTRI SUHRKE

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COMPARED to the immediately preceding years, 1982 seemed relatively uneventful for Thailand.* There were no coups (abortive or otherwise) and the third Cabinet of Prime Minister Prem Tinsulanond remained intact. There were no major clashes on the Thai-Kampuchean border and no new large influx of refugees from Indochina. However, there were a series of less dramatic developments that may have long-term significance: the promulgation of the fifth five year plan for economic and social development; preparations for elections scheduled in or shortly after April, 1983; and consolidation of diplomatic efforts to oust the Vietnamese from Kampuchea.

The new five year plan (1982-1986) differs from previous five year plans in that it is a rather somber document.¹ The effects of global recession and structural bottlenecks in the Thai economy had already become evident in the period covered by the previous five year plan and, according to the fifth plan, they are expected to deepen. The plan consequently calls for fiscal austerity, a reduction in domestic consumption, removal of subsidies to various state enterprises, increased taxes, and an upward adjustment of prices in public utilities. Even with these measures, the plan still envisages a reduction in overall growth compared to the previous five year period. The customary emphasis on reduction of absolute poverty is retained in the current plan, and indeed strengthened; but familiar problems of implementation will be compounded if the assumption of a slower economic growth rate is correct.

Projections for the coming five year period contrast with the rapid growth that Thailand enjoyed for more than two decades after the Korean War. The gross domestic product (GDP) expanded at an average rate of about 7 percent in this period, and at almost 10

percent at times in the 1970's. As the current plan notes, this rate of increase was very high compared to that of other countries at a similar stage of development and it stayed well ahead of population growth. For the 1982-1986 period, the GDP is estimated to grow at a slower rate of 6.6 percent annually, even taking into account a projected doubling of the production of natural gas from 1981 to 1986. The agricultural sector is estimated to expand only slightly (3.5 percent compared to 4.5 percent in the previous plan period), even though the plan aims to increase agricultural productivity. The plan incorporates earlier recommendations by Thai and World Bank officials to restructure the manufacturing sector in order to promote greater efficiency, reduce the incidence of import substitution and increase exports, but the growth rate in the manufacturing sector still is anticipated to slow down (from 9.3 percent in the previous plan period to 7.6 percent in the current one). Foreign trade targets in the fifth plan reflect growing concern over the persistent trade deficit that appeared in the late 1970's and peaked in 1981 when it reached US\$3.023 billion. In the current plan period the growth of exports (the value of goods and services) is estimated to be slightly under 22 percent (compared to 23.7 percent in the previous plan period), and the value of imports is to be brought down to 18.1 percent from the previous growth rate of 25.4 percent.

As in previous plans, development expenditures under the fifth plan will come primarily from domestic sources—totaling about 81 percent of all funding. Tax revenues will account for a considerably larger proportion than they did under the previous plan (54.8 percent as compared to 36 percent), and domestic borrowing will be sharply reduced (from 26 percent to 10.7 percent). Most of the anticipated revenue increase is to come from the improved collection of existing taxes, and to a lesser extent from the imposition of new taxes. This issue has been on the agenda of successive governments and it remains to be seen to what extent the present leadership will be able to realize the almost fourfold increase in tax revenues envisaged for

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¹Data on the five year plan are taken from *The Fifth Five-Year Plan (1982-86)* (Bangkok: The National Economic and Social Development Board, Office of the Prime Minister).

development expenditures under the fifth plan. The Prem government signaled its determination to move ahead by announcing a set of new taxes in February, 1982 (including a sales tax and increased taxes on banking and property). Additionally, a one-year 10 percent across-the-board increase in import duties was instituted in October, 1982, to meet a shortfall in revenues.

The limited tax increases undertaken so far have not caused political difficulties for the government. But attempts to reduce subsidies to government enterprises were another matter. The Prem government was mindful of the fate of its predecessor—Prime Minister Kriangsak Chomanan was forced to resign in February, 1980, largely because of his economic policies reducing subsidies to public utilities and increasing the price of gasoline—and initially adopted a cautious stance. However, prodded by its own technocrats and advice from the World Bank, which linked structural adjustment lending (SAL) to additional adjustments, early in 1982 the Cabinet approved a reform package to increase rates for tapwater (both in Bangkok and upcountry), fares for state railways and Bangkok buses, and telephone tariffs.² The rate increases were to be accompanied by improved management and other steps to reduce the huge losses of the state enterprises concerned.

The increased bus fare in Bangkok was the first item in the package to be announced and—predictably—it caused an uproar. Labor and student representatives took the lead in organizing a two-week demonstration in mid-November. Prem was visiting Beijing when the trouble started and, upon his return, he “solved” the problem by delaying a decision: the fare increase was frozen pending further consideration and a search for less controversial ways to cut the losses of the Bangkok Mass Transit Authority.

Prem’s handling of the bus fare issue is indicative of

²*Far Eastern Economic Review*, December 3, 1982.

³For instance, Prem has been criticized for indecisiveness in negotiations relating to industrial development plans for the eastern seaboard, including delays and abrupt termination in talks with a Scandinavian consortium to construct a huge fertilizer complex using natural gas from the Gulf of Siam. His handling of the negotiations with Texas Pacific, Inc., a major concessionaire for offshore natural gas, with respect to Thai participation in a joint-venture company to handle export of LNG, also provoked domestic and foreign criticism. When the conflict came to a head in late 1982, Prem “solved” the matter in a manner analogous to his handling of the bus fare dispute: he put it aside.

⁴Boonchu recently wrote a lengthy exposition of his views of the current five year plan where he confirmed his belief in free enterprise and the profit motive as engines of growth, repeated earlier condemnations of the bureaucracy and state enterprises and criticized the government for being indecisive, generating enormous red tape, and allowing corruption. See *Nation Review* (Bangkok), March 10, 1982. Some of the *Chart Thai* suspicion of Boonchu is caused not only by his views, but also by his Chinese ethnic origin.

what many observers see as his basic approach to governing. Critics call it indecision and an unwillingness to confront sensitive issues that have a zero-sum component, especially when the losing parties are able to make a vigorous protest. Prem’s supporters acknowledge this, but interpret it more positively as a penchant for compromise and a desire to stay “above politics.” Increasingly, however, Prem’s style is being criticized for delaying necessary decisions and in the process incurring sizable opportunity costs.³ It is also clear that if the targets of the fifth plan are to be approximated, painful political decisions and a willingness to make difficult trade-offs will be required in three areas.

First, the planned restructuring of the manufacturing sector will hurt powerful vested interests that have benefited from the long period of import substitution and are thus fearful of freer competition. Recognition of this underlies some of the persistent tension between the two major political parties in Prem’s coalition: the *Chart Thai*, which draws much of its support from high-ranking military officers who have entered business under protective conditions, and the Social Action party (SAP), whose onetime deputy leader, Boonchu Rojanasathien, epitomizes the dynamic, private sector elements that believe in the superiority of free market forces and are confident of their ability to succeed under these conditions.⁴ During Prem’s tenure, cooperation between SAP and *Chart Thai* has been tenuous at best, and at one stage led to SAP’s withdrawal from the coalition from March to December, 1981.

Second, the fifth plan calls for increased agricultural productivity and measures to alleviate absolute poverty in the rural areas. But unfortunately, the rural population is the least effective political constituency in Thailand. Increased resource allocations to the rural sector require that the urban-based military, business and technocratic elites take a long-term view of their enlightened self-interest. Critics point out that about 40 percent of all rural households still live in “absolute poverty” and that great regional income disparities persist. While there has been some noticeable progress in poverty alleviation, it has taken place under relatively favorable conditions of “easy,” expansive growth in the agricultural sector within the general context of a rapidly growing economy. These conditions are not expected to prevail under the current five year plan, thus making the trade-offs among policy priorities more harsh.

The budget for FY (fiscal year) 1983 is one indication of the government’s priorities. The three biggest budget items are economic development, education and defense, and they are of roughly comparable size (19.1 percent, 21 percent and 20 percent respectively). Compared to the previous budget, defense (including internal security) and loan repayments clearly emerge as priorities. The overall increase in the budget is only

9.9 percent, but loan repayments increased 29.9 percent to account for a sizable 15.3 percent of the entire budget. Defense went up 12.1 percent and internal security 16.8 percent, both items being justified by the government because of the Kampuchea conflict. The allocations for economic development increased less than 3 percent. Critics claimed that the budget was not consistent with the priorities given to rural poverty alleviation in the five year plan.⁵

Third, the plan stresses the need for improved public administration, including better coordination among various agencies and greater decentralization of what is commonly recognized to be an excessively centralized administrative system. These reforms also have a familiar ring. The Prem government so far has moved cautiously, but it is making some changes to improve the budgeting and planning process and to strengthen the role of the provincial governors in budgetary and personnel matters. The latter reforms would promote coordination on the provincial level and the delegation of authority from the central Bangkok echelons to the provinces.

Although the difficulties of carrying out the reforms outlined in the fifth plan will be considerable, there are two new facilitating factors. The exploitation of natural gas in the Gulf of Siam will reduce the country's dependence on imported energy sources and ease pressures on the balance of payments. The National Economic and Social Development Board (NESBD) estimates that by 1986 slightly less than half of Thailand's energy requirements will be met by imported oil, as compared to 75 percent in 1981. Domestic supporters of the reforms stipulated in the fifth plan have an additional asset in the form of structural adjustment loans from the World Bank, the first of which was signed in March, 1982. The SAL's are made conditional upon continuous efforts by the Thai government to make adjustments in all the major areas covered by the plan (agriculture, industry, energy, fiscal policy, and administration), and Thai technocrats are expected to benefit from a close working relationship with World Bank officials.⁶

PREPARATIONS FOR NEW ELECTIONS

The political scene in 1982 was dominated by a great deal of probing in preparation for elections to the

Lower House of the National Assembly. According to the constitution, elections must be held within 60 days after April 21, 1983, when the term of the incumbent deputies expires. Whether or not elections in fact will be held, and under what conditions, was still not clear in February, 1983, and some uncertainty remains regarding the role of the appointed Upper House (Senate). Yet much of the byzantine maneuvering by government factions and opposition groups in 1982 was intended to test the water for alternatives, and the result suggested that the constitutional path would provide the least resistance.

If Lower House elections are held in June, 1983, the 323 deputies will be elected according to a new system that will severely penalize smaller parties and exclude candidates running as independents.⁷ Candidates will have to run in the province at large, and there will be party lists only. Political parties must field a large number of candidates—equivalent to about half the number of House seats—in order to qualify. The cost of participating in the elections will thus be considerable. A not unreasonable estimate suggests 300,000 baht in campaign funds per candidate, or about 50 million baht (around \$2.3 million) for the required number of candidates.⁸

The new election process has been a central issue in the political debate. Supporters argue that it will strengthen the political party system and bring more discipline and coherence to parliamentary politics. The latter will probably center around two or three main parties, notably *Chart Thai*, SAP and the Democrats, to enhance the prestige and power of the Parliament in the eyes of the military and the public at large, and move Thailand closer to a democratic system based on political parties.

In the past, a very large number of political parties have operated. In the 1979 election, for instance, 38 parties fielded candidates. The fluidity of party membership has been another characteristic feature of the Thai political process. A recent analysis in *Matichon* is illustrative.⁹ Comparing the lineup of party membership in the House immediately after the 1979 elections and in early 1982, the newspaper found that only one party had succeeded in keeping its membership intact: Samak Sundaravej's *Prachakon Thai* with 32 seats. The most spectacular defections had occurred in SAP (from 83 to 65 seats), partly because of a disagreement over SAP's decision to rejoin the coalition in Prem's third Cabinet in December, 1981. The Democrats had lost only two of their 33 seats, despite considerable internal strife over leadership issues after M. R. Seni Pramroj stepped down in 1979 and, in the words of one observer, left the party "rudderless."¹⁰ *Chart Thai* had 44 deputies after the 1979 elections and counted roughly the same number in early 1982. As for the smaller parties, the picture was one of extreme fluidity and confusion as groups merged and split with great

⁵See e.g., the editorial in *Matichon*, May 18, 1982.

⁶*Far Eastern Economic Review*, June 4 and December 3, 1982.

⁷The 301 seats will be increased to allow for population increases and redistricting. The new election process will go into effect as one of the temporary clauses of the constitution expires in April, 1983.

⁸*Phya Kru*, May 24, 1982.

⁹*Matichon*, February 2, 1982.

¹⁰*Nation Review*, February 20, 1982. Seni was replaced by former Foreign Minister Thanat Khoman, who in turn was replaced by former Foreign Minister Pichai Rattakul in April, 1982.

frequency. The independents were also a mobile group, numbering 40-plus in 1979, 108 in mid-1980, and around 30 in early 1982.

Fragmentation and fluidity in the political party system reflect the lack of a programmatic basis for party formation and the uncertain and limited role of political parties in a system that has long been dominated by the military and its extraparliamentary exercise of political power. It is not *prima facie* clear that the new election process will affect these underlying causes. Nor is it clear that the new rules will help to enhance the prestige of elected parliamentarians, which must be at least partly understood in terms of the traditional elements in the Thai political culture that accord higher status to government servants appointed by the King than to elected officials.¹¹ Moreover, coalition politics, which has been notoriously complicated in the past and contributed to a poor image of parliamentary politics as rife with factionalism and generating instability, will not necessarily be made easier if minor parties and independents are excluded from the Parliament. Prem's coalitions have been based on three major parties that will probably survive the new election system and will be likely candidates for a new coalition. The instability of Prem's coalition has been due to disagreement among as well as within the three coalition parties—not to the activities of smaller parties and independents.

In the long run, the new election system will probably modify the current widespread practice of "politicians for hire," whereby independent candidates or "turncoats" join a political party for a price. The new system will also weaken or eliminate the small parties, some of which claim to have a programmatic basis and represent large but relatively powerless constituencies (e.g., *Palang Mai*, various center-left parties based in the northeast, the new Democratic Labor party formed in mid-1982, and possibly Samak's center-rightist party). The new rules will favor groups with access to solid financial backing, reinforcing existing trends towards a "plutodemocracy" where "only the interests of privileged groups are aggregated by political parties," as one prominent Thai political scientist noted in a recent analysis.¹²

Opposition to the new election system seemed to gain momentum in early 1983. Important army leaders, including General Arthit, apparently felt that the new system would excessively streamline party politics. Army leaders also succeeded in pressing another key

issue in preparation for the 1983 elections: the power of the Senate. The 225 members of the Senate are appointed, largely from the armed forces. Their most significant powers, like participation in no confidence motions and in budget debates, are exercised under a temporary clause in the constitution that is scheduled to expire in April, 1983. However, it now seems likely that the constitution will be amended to retain in large measure the power of the Senate and, to a considerable extent, the role of the military in the Senate. Of course, there is also the possibility that the military will exercise its veto power in the form of a coup.

Military criticism of the instability of parliamentary politics has continued to surface and was a major source of rumors that the 1983 elections would be preempted by a coup. The criticism could be returned in kind; factionalism in the military has been a major source of instability in Thai politics, both in its parliamentary and extraparliamentary form. Much of the criticism from reform-oriented military circles has focused on the parliamentary forms of instability, which are seen as the result of the excessive leeway given to corrupt and self-serving politicians, whether recruited from military or civilian ranks.

The Young Turks, who through their abortive coup in 1981 became the best known of the reformist soldiers, were greatly weakened by the failure of the coup. The principal Young Turks, like Colonel Prachak Sawaengchit and Major Manoon Rupakachorn, nevertheless have promised to reenter politics, but this time as elected civilians. The ideas that they represent, moreover, have apparently gained credence in various army circles and serve as rallying points over more particularist issues, like the rapid promotion of General Arthit Kamlang-ek to commander in chief of the army in September, 1982. The Democratic Soldiers are a less well-known reformist group, which operates on the fringes of powerful military circles. But, like the Young Turks, the Democratic Soldiers indicate the persistence of a set of reformist ideas within the military.¹³

A "REVOLUTION FROM ABOVE"

Central to these ideas is the concept of a "revolution from above." The military is seen as the vanguard of the people and the only agent in society that can carry out a revolution for the people without causing great social upheaval and totalitarianism of the kind that the military reformers associate with a "revolution from below" promoted by the Communists. To carry out this task, the military must work with broad social groups like peasants and labor to effect social change. The old style military politician who combined business interests with a political role is rejected in favor of a new style, selfless, disciplined soldier who is working hard for change in the interest of the Thai people.

There is an explicit emphasis on the need for radical

¹¹David Morrell and Chai-anan Samudavanija, *Political Conflict in Thailand: Reform, Reaction and Revolution* (Cambridge: Cambridge University Press, 1981), p. 34.

¹²Chai-anan Samudavanija, "Thailand in 1982. The Political Economy," paper presented at the Conference on Thailand, The Fletcher School of Law and Diplomacy, October 1-2, 1982, p. 7.

¹³The discussion of the Democratic Soldiers is drawn largely from a long article in *Patinya*, October 4, 1982.

change in Thai society, and the term "democratic revolution" is frequently employed. There is, further, an emphasis on the substance rather than the structure of politics. The present government, according to the Democratic Soldiers, is a dictatorship because power is not used to promote the well-being of the people; when political power is used for the good of the collectivity, instead, a "democratic revolution" is under way. Beyond these very general notions, the reformist ideas are not clearly articulated. Paradoxically, perhaps, the main ideological architect of the Democratic Soldiers, Prasert Sapyasunthorn, is not a military man but an ex-member of the central committee of the Communist party of Thailand, who since his defection has devoted his energies to assisting the military in developing innovative strategies to destroy the party.

As a political group, the Democratic Soldiers are probably not so significant as the ideas they advocate. Their reputation has been tarnished in various ways. They seem to have played a dubious role in the 1981 abortive coup (first supporting but then turning on the Young Turks). They have connections with controversial right-wingers like Major General Sudsai Hadsadin (of the famous paramilitary group, Krathing Daeng), and with former leaders of the Nawapol, a similar group. They were also involved in a major issue that split organized labor in 1982, namely, whether or not the trade unions should adopt an explicitly political strategy by forming a political party, and they have links with the group that decided in the affirmative by establishing the Democratic Labor party. Finally, the Democratic Soldiers generally are staff officers, not commanding officers, and their main leader, Major General Rawi Wanpen, was demoted after the 1981 coup and posted to an obscure office popularly known as "the generals' graveyard." Consequently, the Democratic Soldiers are not likely to play a major, direct political role.

On the other hand, their ideas—however vague—have received a degree of acceptance in high military circles. They are reflected in the widely publicized pronouncements of Prem in 1980 (Order Number 66/23) and in 1982 (Order Number 66/25) that stress the need to adopt a political strategy in addition to military suppression in dealing with the Communist insurgency. Leaders of the Democratic Soldiers reportedly played a role in drafting these orders, in cooperation with such prominent military figures as General Han Lilanond.

The term "democratic revolution" has increasingly crept into military jargon. A recent report by the chief of staff of the Second Army Region (Northeast) is indicative. Commenting on the demise of the Communist party of Thailand (CPT) after mass defections and a cut-off in Chinese aid during the past two or three

years, the report claims that the CPT still poses a severe, long-term challenge to the government, and concludes:

The only way to solve the present problems in Thai society is to carry out a democratic revolution. Basically, the opportunity to carry out a democratic revolution in this limited period lies mainly with the government of Prem and next with the CPT. The side that proposes and implements a democratic revolution first will be the side that receives the support of the majority of the people.¹⁴

It is not a foregone conclusion that Prem will be in office after the 1983 elections. Prem has not joined a political party and will have to be appointed by the King to form a new government after the elections. Much attention has focused on General Arthit as a possible successor. The odds may favor Prem, however, mainly because he seems to be the least offensive or least controversial candidate to all parties, and because his reputation for honesty is unimpaired despite a relatively long term in office. A public opinion poll undertaken by the Institute of Social Research at Chulalongkorn University in 1982 confirmed this impression. Prem was given a low score for his handling of economic problems, and only 22 percent believed he would be able to improve his record in this respect if he stayed in office. Asked to rate Prem's characteristics as a leader, the respondents cited "honest" and "polite" most frequently (25 percent and 21 percent respectively), while few saw him as a "capable administrator" (11 percent). The fourth most frequent citation was "weak" (10 percent), which barely ranked above his ability to "sing well" (7.6 percent).

The poll also indicated that the Bangkok electorate has a greater interest in the structure of politics than is formally expressed by reformist soldiers such as the Democratic Soldiers. While there was general agreement with the view of the Democratic Soldiers that the present government does not "have the interests of the nation at heart" (53 percent), the overwhelming majority declared interest in the forthcoming elections (72 percent) and a majority also felt that the parliamentary system should be strengthened by requiring the Prime Minister to be an elected representative (56 percent).¹⁵

DIPLOMATIC VICTORIES

The main event on the diplomatic front in 1982 was the success of long, arduous efforts by Thailand and its ASEAN (Association of Southeast Asian Nations)

(Continued on page 182)

Astri Suhrke is coauthor, with Charles Morrison, of *Strategies of Survival. Foreign Policy Dilemmas of Smaller Asian States* (New York: St. Martin's Press, 1979). She is currently completing a monograph on the Muslims in southern Thailand.

¹⁴*Siam Mai*, April 24, 1982.

¹⁵*Siam Mai*, May 22, 1982.

In Indonesia, "the elevation of Pancasila as the touchstone of national identity, philosophy and purpose will make everyone increasingly beholden to Sukarno's legacy and subject to the power of his original perspective on the requirements for a just and independent nation."

The Political Economy of Pancasila in Indonesia

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INDONESIA will review and reassess its direction in 1983. Between the May, 1982, parliamentary elections and the March, 1983, presidential election, it will also usher in the last year of *Repelita III* (the third five year plan) under the New Order government of President Suharto. Everyone is involved in the debate on where the nation, the economy and the society are headed, and what role *Pancasila*, the national ideology, may play in guiding and defining the path toward the year 2000.

The May 4 elections saw a 90 percent turnout of eligible voters; and despite scattered incidents of violence and scandal, the results seem to have been generally accepted as close to a fair count. Golkar, which projects itself as a pro-government "non-political functional group," comfortably increased its majority against the two legally recognized political parties, the Muslim Unity Development party (PPP) and the Indonesian Democratic party (PDI).¹ Suharto was nominated again by acclamation when the People's Consultative Assembly met in March.² He will nominate a Vice President, appoint a new Cabinet (which may again include only Golkar members or also representatives from PPP and PDI) and outline the program of national development to be pursued under *Repelita IV* (1985-1989).

¹Golkar candidates won 244 of the 364 elected seats in Parliament, the PPP obtained 96 and the PDI 24 (as against 232, 99 and 29 in the 1977 election). Four seats for East Timor were added for the 1982 election, all won by Golkar. There is universal suffrage for all registered citizens over the age of 17. Overall, Golkar is credited with 64 percent of validated votes, PPP with 28 percent and PDI with 8 percent (compared to 62 percent, 29 percent and 9 percent in 1977). An unknown number of spoiled ballots were left blank to protest the regulation of the electoral process.

²As specified in the 1945 constitution, the President and Vice President are elected by a Consultative Assembly comprised of the newly elected members of Parliament, plus the 100 government-appointed members of Parliament, plus another 460 government appointees. Elected members thus comprise less than 40 percent of the total. In 1977, all three parties nominated President Suharto; but the PPP fell into line only at the last moment.

³See "Dilemmas of Indonesia's Development," *Current History*, December, 1980.

Although criticism of both the economy and the government's performance remains rife (especially criticism of the unequal distribution of gains from modernization, the alleged ostentation and misappropriation of resources by the elite, and the high levels of dependence on foreign borrowing and influence), the election victory has to be seen as a general endorsement of prevailing policies. Neither the PPP nor the PDI clearly articulated an alternative economic program and neither offered a cohesive alternative political ideology. This is partly because of chronic factionalism within the artificial conglomerates created under government decree in 1973 from the plethora of political parties inherited from the late President Sukarno's era, but it is partly the result of the terms under which the parties are allowed to operate and garner support.

No parties are permitted to form participatory organizations at the village level, or to hold political meetings except during the prescribed 45-day campaign periods before elections. Between elections, political parties go into abeyance; the government alone represents the people's interests; the electorate is perceived as an apolitical "floating mass"; there is no recognized "official opposition"; Parliament's role is consultative and nominal; and for many purposes the country is run by presidential decree and by ministerial discretion.

Setting limits to political activity, discouraging "extremism," and endeavoring as far as possible to depoliticize the community are seen by the New Order government as necessary to promote "Unity in Diversity" (*Bhinneka Tunggal Ika*), the national motto. Pursuit of this chimera has been a daunting and disillusioning task for all the political leaders of the fifth largest, physically most fragmented, and certainly one of the culturally most complex societies on earth.³ To find a common Indonesian perspective, purpose or rallying point (other than a threat to national security or the nation's territorial integrity) is like searching for the alchemist's touchstone. Even the rhetorical magic and personal charisma of "Bung Karno" and his historically unique opportunity were not up to the task, although

President Sukarno's peculiar blend of nationalism, socialism, authoritarianism, Islamic and Christian idealism, Javanese syncretism and mysticism gives some idea of the fantastic formula that would be called for. Sukarno's best shot and major inspirational legacy is *Pancasila*, the Five Principles of national ideology. Enunciated in a historic speech on June 1, 1945, the principles are belief in God, nationalism, humanitarianism, democracy, and social justice. *Pancasila* is the broadest, most unobjectionable of all national ideologies, and has been the subject of endless reinterpretation by intellectuals, politicians, sectarians and ordinary citizens for more than a generation.

Despite the clean break with Sukarno's latter-day philosophy and practice emphasized by the New Order, President Suharto has increasingly come to rely upon *Pancasila* in his efforts to stabilize and unify the country, to legitimize his own regime, and to disorientate or encapsulate potential opposition. In a notable speech in 1980 commemorating the fourteenth anniversary of his accession to power, he observed:

Before the New Order was born, we saw and sensed that our national ideology was submerged by various existing ideologies, whether it was Marxism, Leninism, communism, socialism, Marhaenism, nationalism or religion [which were disruptive and obstacles to the creation of a just and prosperous society]. Hence the determination of the New Order to make a total correction of deviations from *Pancasila* and the 1945 Constitution.⁴

The inclusion of "nationalism" and "religion" in the otherwise familiar list of anathemas raised consider-

⁴Reported in *Far Eastern Economic Review*, June 27, 1980, pp. 24-25. Marhaenism is a populist ideology conjured up by Sukarno (see footnote 10).

⁵The armed services under the New Order have taken on a special responsibility for defending *Pancasila*, especially from opposing ideologies and extremist or disruptive groups on the left or on the right. This was confirmed in the Electoral Law of 1973 establishing the new "two parties plus Golkar" system. Army personnel do not vote and are represented in Parliament by appointed members; they can and do run for political office, however, especially as Golkar candidates, and a majority of Suharto's ministers are generals. Suharto's appeal that the army should choose "a real partner who would defend *Pancasila* without reservations," however, appeared to imply that it should work against the other two parties and thus abandon its claim to be "above politics." The army actively and openly supported Golkar in the 1982 election campaigns.

⁶The Electoral Law originally stipulated that civil servants required written permission from their superiors before they could join political parties; since then, Korpri (the civil service corps) has become a constituent element of Golkar. Before the 1982 elections, the government "required all state employees to sign a pledge, along with their families, servants, and other dependents, to vote for Golkar"; see G. R. Hein, "Indonesia in 1981: Countdown to the General Elections," *Asian Survey*, February, 1982, p. 203.

⁷Reported in *Far Eastern Economic Review*, August 27, 1982, p. 20.

able consternation among wide sectors of the community, including the Muslims, Christians, and military leaders who proudly listed themselves as nationalists. Among other repercussions, a "petition of 50" prominent citizens lodged a "statement of concern" in Parliament claiming that Suharto had falsely interpreted *Pancasila*, that he had appeared to lay exclusive claim to its interpretation as manifest in the approach of his particular administration, and that he appeared to be calling on the armed services to relinquish their traditional neutrality and become involved in helping implement "the total correction of deviations from *Pancasila*" that he supposedly feared.⁵ Since then, all government officials, military personnel, teachers, students and many other groups have been obliged to attend week-long and repeated seminars, at which they are lectured on the meaning of *Pancasila* and the constitution, and where they then write reports on what they have learned. Without placing too ominous an interpretation on them, the seminars have worked to solidify loyalty toward Golkar in the bureaucracy⁶ and have put opposing political parties on the defensive. In newspapers, journals, books and other media the government has also stimulated an even more animated debate on the appropriate interpretation of *Pancasila* and its implications for Indonesia's social, economic and political destiny.

After the recent election, Suharto again raised the question of loyalty to the correct version of *Pancasila*. He observed that:

the presence of other principles as special characteristics of political parties will prompt extreme elements—both from within and without—to give greater prominence to the other principles when political struggle attains concrete forms, such as during elections. Stimulated by the instinct to display the identity of the group, it is these other principles—and not the principles of *Pancasila*—that are brought to the fore . . . This can easily stimulate narrow group fanaticism, which can be readily exploited by extreme elements.⁷

The "elements from without" are presumably the international press and overseas commentators; the government fears that they will portray more divisiveness and opposition within the country than is warranted. The "elements from within" are the more radical subgroups within PPP and PDI, and the remnants of other potential political action groups, nonconformist intellectuals, reporters, writers and prominent citizens who continue to criticize the regime and circulate "statements of concern."

As in most Indonesian, especially Javanese, public polemic, there is much scope for interpretation of what actually is being said and what its implications might be. Suharto apparently was not trying to disband the political parties, or to co-opt them into a more amorphous Golkar, since the idea of a one-party election (*Partai Tunggal*) had been explicitly considered and rejected by the government in the 1981 election

preparations. Thus Suharto reiterated that "the number and structure of the political parties as affirmed in the law on the political parties and Golkar appear to be adequate."⁸ But the degree of "political struggle" in the May, 1982, elections seemed excessive when viewed from Suharto's perspective on the proper *modus operandi* of *Demokrasi Pancasila*.

Representatives of PPP and PDI repeatedly confirm loyalty to *Pancasila*; but although they do not espouse opposing ideologies, they project alternative visions of Indonesia's future, visions which they see as more authentic to its true spirit, and which provide a broad basis for questioning current developments, government priorities and the direction the country is taking.

PANCASILA AND RELIGION

The "radical" PPP perspective incorporates several fundamentalist Islamic groups that abhor excessive consumerism, the intrusion of alien values, and the secularism inherent in certain legislation and in the instruction being offered as "*Pancasila* education" in the public schools. Five national religions (Islam, Catholicism, Protestantism, Buddhism and Hinduism) are officially recognized as compatible with "a belief in God." But over 80 percent of all Indonesians are registered as Muslims; most are reasonably devout practitioners, making Indonesia the largest Islamic society in the world. While all Muslims in all countries are required to seek the goal of establishing an Islamic state, this goal was apparently not so frequently articulated or reported as a rallying call in 1982 as in previous elections, although the PPP insisted on using the *Ka'abah* (holy shrine of Mecca) as its political emblem.

Political parties are forbidden to promote religious issues explicitly, and even the more fervent elements are apparently concentrating on firming up Islamic beliefs and practices to insure a strong Muslim society, as a means of gradually moving toward an Islamic state. There has been a dramatic upsurge of urban and rural youth involvement in Islamic associations (the Islamic university student organization, HMI, has

⁸*Ibid.*, p. 21.

⁹Elections operate in this way. Each party submits candidate lists for each district to the government-run Election Institute, which must approve them. Names can be struck off (for example as being irresponsible or excessively anti-government) and the ordering can be changed. Electors then vote for the party symbols in the polling booth, not individual candidates, and successful candidates are chosen by going down each list according to the number of seats won by each party. Because of a split within PPP, two lists were submitted, and it appears that radicals were disproportionately relegated a low priority, thus ensuring that many of them would not be returned to Parliament. Many on the radical list had caused embarrassment by walking out on the parliamentary session setting the rules for the 1982 election because the government had refused PPP demands for representation in the Election Institute and for permanent entrenchment of its *ka'abah* symbol (though it was permitted for the 1982 campaign as a specific dispensation).

over 140,000 members and the high school equivalent, PEI, has even more), and Muhammadiyah and kindred Muslim groups run 12,000 schools of their own and four universities as alternatives to the state system. They are also active through virtually every mosque in promoting community development and social activities as antidotes to secularism and dependence on government.

More militant Muslim groups exist, and there may well be an increase of such activity outside the established political process because of what the radical wing sees as a shuffling of candidate lists in the recent election effectively to reduce their number in Parliament in favor of more moderate PPP representatives.⁹ There are also signs of growing dissatisfaction with the Golkar-dominated election process and the nominal participation in government that parliamentary representation allows. Muslim radicals and student groups were important support groups helping the army establish the New Order government during the upheavals of 1965-1966, and there is a sense that the promise inherent in this partnership has not been fulfilled, especially in view of the disproportionate army support for Golkar, and in view of the increasing secularization of lifestyles in which they have participated. Some elements within the army itself share these sentiments, and they may well take more lenient attitudes toward subsequent student and radical group protests and demonstrations than the government or more establishment groups within the armed services.

Beyond these speculations, however, it seems unlikely that Suharto will have to deal with an Indonesian Ayatollah Khomeini. There is a wide spectrum from conservative to activist Muslim groups, both within and beyond PPP (both Golkar and PDI have a majority of Muslims among their supporters), and the majority see their effectiveness as a social force permeating every facet of society. Muslim pressure has been instrumental, for example, in reversing "reforms" in marriage laws, and recently in securing a nationwide prohibition on gambling, on commercial advertising on television, and on public videogames.

Observance of Ramadan receives clearer support from the government; there is increasing Islamic programming on the government-established television and radio networks; and, with support from local and Arabic funding, *dakwah* (missionary work) is progressing rapidly. Political confrontation may thus appear counterproductive to securing the essentials of a proper Islamic way of life. Many leaders within PPP also see the likelihood of more powerful representation in government when Suharto comes to form his new Cabinet.

PANCASILA AND NATIONALISM

Philosophies, aspirations and priorities within PDI are even more heterogeneous and insoluble with re-

gard to the presentation of a unique cohesive ideology or political program. Molded out of the original PNI (Indonesian Nationalist party, of which Sukarno was founding chairman in 1926), plus two other secular parties and the two Christian-based parties, its common denominator within *Pancasila* focuses on nationalism. It sees itself representing in particular the interests of small businessmen, small traders, small farmers and "outside" poverty groups, in addition to its sub-component particularist constituencies, and it is most critical of the intrusion of corporate foreign-owned enterprise and the extent of international dependence. As heirs to the Sukarnoist tradition—which became explicit halfway through the 1982 campaign in the use of Sukarno's portrait in election posters—"extremist" elements in PDI are prone to evoke Marhaenism and other populist nostalgia, although socialism, especially Marxism, remains anathema as political ideology.¹⁰

Sukarnoism, variously interpreted, still seems a potent political ingredient, especially among the more disadvantaged strata of society, and it was a calculated risk to allow PDI to openly identify with the symbolology. It may be indicative of government confidence in the Golkar machine that such Karno "kite flying" was allowed, and the relatively poor showing of PDI must have bolstered this assurance. Sukarno's "father-image" role has been considerably rehabilitated by the government in the past year or two, and Suharto probably feels that his philosophy is so amorphous that he has been safely depoliticized and is unlikely to be recruitable in support of PDI or any of the subgroups who see their philosophies as derivative. There is also more than enough non-Sukarnoist ballast in PDI to keep it steady.¹¹ Its role within the tripartite system is sometimes reasoned to be simply to deflect a more direct confrontation between the other two con-

¹⁰Marhaenism is a vague, almost mystical, eulogy to peasant stoicism and self-reliance based on a chance encounter that Sukarno supposedly had with a farmer in West Sumatra whom he remembered as being named Marhaen. It has little by way of specific principles or ideology, but is a home-grown basis for something akin to rural "communalism" and self-help. The PKI (Communist party of Indonesia), at one time the largest and most effective political organization, was decimated and abolished after "the events of 1965"; most detainees have now been released and "integrated back into the Indonesian society" (some in relatively isolated transmigration schemes) but the movement has been exorcised, even though it is still often portrayed as "public enemy number one."

¹¹Although in recent years Christianity in most denominations is also experiencing a revival (along with Islam), and the Christian-educated are disproportionately represented in the professions and government service, their "special interests" as represented through the political process are tiny minorities.

¹²See for example R. W. Liddle, "The Politics of *Ekonomi Pancasila*: Some Reflections on a Recent Debate," and P. McCawley, "The Economics of *Ekonomi Pancasila*," in *Bulletin of Indonesian Economic Studies*, March, 1982, pp. 96-109.

¹³Liddle, *op. cit.*, p. 96.

tenders, though this is probably an unfair exaggeration.

EKONOMI PANCASILA

What may well happen, however, is that the elevation of *Pancasila* as the touchstone of national identity, philosophy and purpose will make everyone increasingly beholden to Sukarno's legacy and subject to the power of his original perspective on the requirements for a just and independent nation. This attains particular significance in the debate that has rumbled throughout Indonesia in the last two years on the proper meaning of *Ekonomi Pancasila*.¹² Neither Sukarno nor Suharto have been able to give a distinctive definition of their "mixed economy" systems that would locate them in the spectrum between capitalism and socialism, or that would liken them to other known prototypical or ideal economic systems. The only clue to Indonesia's idiosyncrasy that is formally defined and enacted is Article 33 of the 1945 constitution, which has been paraphrased under three stipulations: "(1) the economy is organized as a joint venture (*usaha bersama*) based on the family principle (*asas kekeluargaan*); (2) the sectors of production [that are] important for the state and that encompass the basic needs of the people are controlled by the state; and (3) natural resources are controlled by the state for the benefit of the people."¹³ Apart from this, there are only the Five Principles of nationalism, belief in God, democracy, humanitarianism and social justice to give inspiration.

The constitutional guidelines allow considerable discretion for government intervention in the economy, already undertaken by both Suharto and Sukarno, each in his own particular way. Despite the initial dismantling of regulations and welfare provisions and the opening-up to international trade and finance that characterized the earlier years of the New Order administration, there has been a strong and inexorable trend toward more far-reaching and effective centralized control under *Repelitas I, II* and *III*. Control over natural resource exploitation has provided the revenues with which the Suharto administration has been able to finance the rapidly expanding military and bureaucratic establishment, the impressive capital development projects, the transmigration schemes, the extensive communications and educational network, the Green Revolution program, and the increasing provision for basic needs. Before commenting on the outcome or effectiveness of the system, however, one should ask how *Ekonomi Pancasila* ought to operate, as stipulated under the "joint venture" or "family" principle, and given the need to promote nationalism and the other principles of *Pancasila*.

Radical elements in both the PPP and PDI and other independent groups have criticized the pragmatic and opportunistic approach adopted by the various agen-

cies empowered to exploit national resources and to operate the public expenditure and regulatory mechanisms. The 1975 Pertamina scandal was the most conspicuous abomination in this regard, but its excesses were seen as a mere caricature of the more general malaise and the misconstruction of the responsibilities implicit under *Pancasila*.¹⁴ It was not a matter of more or less government intervention, or more or less free play of markets, as both were subject to opportunistic profit seeking and individual greed. What was needed, according to a remarkable consensus of critics from a wide and disparate range of perspectives, was a new morality, more attention to genuine national interests, more democratic participation in decision making, more revival and harnessing of "non-economic" humanitarian motives, and more concern for social justice.

This would be accomplished by relying more on a uniquely Indonesian "joint venture" or "family principle" approach. PPP spokesmen are inclined to look to traditional Islamic values, to work toward unity of mosque and state (theocracy), to focus on village-level participatory democracy, to inculcate an austere but socially responsible life-style and to implement charitable works. The tendency among PDI adherents is to advocate modern, non-feudal values, to protect indigenous interests from the intrusion of foreign ownership or control, to make the political process more open and representative, to constrain capitalist enterprise to ensure socially acceptable outcomes, and to redistribute income and opportunity in favor of disadvantaged groups.

A third formula that has received considerable attention in the great ongoing national debate is that of Mubyarto and his associates,¹⁵ who strive to find a middle way, or synthesis of viewpoints, compatible with the government line in alchemizing the golden thread of *Pancasila*. The essence of the proposal has five components: (1) "the role of state enterprises and especially of cooperatives would be important," (2) "incentives would operate on the basis of social and religious values as well as economic ones," (3) "greater social equality would be given high priority," (4) "an appropriate degree of economic nationalism," and (5) "a balance would be found between decentralization of economic decision making and strong national planning . . . production must be carried on with social supervision and evaluation so as to reflect economic

democracy and . . . allow for representative social participation in the planning process."¹⁶

Cooperatives are the distinguishing "new" magical ingredient through which to implement the "joint venture" or "family principle" as a nationwide network of social participation in the mobilization and utilization of national resources for greater social equality and to secure the appropriate degree of economic nationalism. Cooperatives are not new to Indonesian experience, but those envisaged by Mubyarto are evidently more participatory, more autonomous, and more politically influential than earlier cooperatives.

Published just before the year of review and reassessment, Mubyarto's book received widespread attention in the media and in intellectual discussion. Some dismissed it as "obsolete nationalism and lightweight theory," and one careful and sympathetic commentator was forced to admit that

After several readings of Mubyarto's writings and others' commentaries, it is unclear to me in what sense this amalgam of received ideas (e.g., capitalism always means that the strong drive out the weak), romanticism (the village is still the locus of the true Indonesian *gotong royong* personality), moral appeal (if we act like our idealized ancestors all will be well), and straightforward advice to economic planners (decentralise) constitute an "economic system." And to be fair, Mubyarto himself has not made grandiose claims for his ideas.¹⁷

The book attempts to introduce more general participation and decentralized decision making into an already functioning "mixed" economic system; it would change the formula and *modus operandi*, not supplant existing ideology with a new system. It is less important to "choose" between "capitalism" and "a command economy," whatever these might mean as ideal types in the smorgasbord of real-world economic systems, than to make the prevailing arrangements more sensitive to the values and objectives that it hopes to serve. Whether political realities at all levels and cultural factors impeding popular participation will permit "cooperativism" to operate in Indonesia in the necessary way is still open to much debate.

Indonesia under the New Order is an operative economic system with considerable top-down control exercised by technocrats who are pursuing multiple and often inconsistent objectives. It is also a very traditional rural-based society with long-established structures of village-level power and influence, which are sometimes supported and sometimes eroded by the

(Continued on page 178)

¹⁴See "Indonesia: Bonanza Development Amidst Shared Poverty," *Current History*, December, 1979.

¹⁵Mubyarto & Boediono, eds., *Ekonomi Pancasila* (Yogyakarta: Fakultas Ekonomi, 1981) and other writings, speeches, and newspaper articles.

¹⁶McCawley, *op. cit.*, p. 103. These again can be related to the *Pancasila*.

¹⁷Liddle, *op. cit.*, p. 99. Cf. the critiques from the neo-Marxist and neo-capitalist viewpoints, summarized in Liddle, *op. cit.*, p. 100.

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Malaysia is "confronted by the contradictions of economic development. . . . Balancing opportunities with declining growth and recessionist stagflation has invited government intervention. . . . A free enterprise economy is being circumscribed by public policies. Still, Malaysia is prospering amid a temporary slowdown."

A Hobson's Choice for Malaysia

BY HANS H. INDORF

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FOR more than 350 years, ever since Thomas Hobson forced every Cambridge scholar to choose the first hackney he encountered when he entered the stable, this choice that is no choice has haunted man. Governments are also encumbered by this take-it-or-leave-it proposition. During 1982, Malaysia increasingly found itself in such a predicament: policies of development had to be pursued.

In style, there was a break with the past practice of the ready compromise in favor of straight talk verging on bluntness. In substance, there was a noticeable shift away from traditional alignments to a more nation-centered orientation. Both the change in style and the new emphasis on substance led to respect among Malaysians, concern among neighbors and a degree of consternation among Western nations. Potential domestic benefits that could accrue from these different approaches have to be weighed against emerging animosities arising from more explicit but less flexible policies. Nevertheless, Malaysia's new political leaders have set in motion a process of transformation that promises to have a profound effect on the pace and direction of the country's progress.

One of the major catalysts of change was a bevy of prominent personalities. Individual idiosyncracies affected home affairs, national elections and escalating Indonesian emigration. Even foreign policies could not escape the new leadership's decisiveness and outspokenness. (Only economic development was affected as much by the world recession as it was by the imprint of novel ideas.)

CHANGING TIMES

In all, 1982 saw a real departure from old habits. Troubling traditional issues, many of them self-induced, continued to plague the body politic. Yet Malaysia succeeded in projecting a forceful and generally positive image. Once the decision had been made to accelerate development and to mobilize public support by emphasizing nationalism, honesty and results, no resentments and enmities could force an alternative; this was truly a Hobson's choice.

Fundamental to any assessment of recent events and

policies in Malaysia is an understanding of its dominant political actors, Prime Minister Datuk Seri Mahathir Mohamad and Deputy Prime Minister Datuk Musa Hitam. Both have spent many years of their lives either in the political wilderness or in second echelon assignments, where their energies and originality were shackled by the customs and conformities of their environment. When, in July, 1981, the United Malay National Organization (UMNO) elevated them to party president and deputy president, respectively, they also assumed, by tradition, the two top posts in the Cabinet. In April, 1982, the voters confirmed the transfer of power and accorded legitimacy to the new government's actions.

THE 2-M TEAM

More than at any other time in the history of this country, two talented and clever key players, in tandem, were able to impose their individuality on the institutions around them. Their drive and pragmatism found willing followers, primarily because the promise of their methods surpassed the cumulative effect of apparent negative implications. One reason for a lenient public response has been Mahathir's inclination to demonstrate basic policy changes through the use of important individuals. Had he initiated abstract structural revisions instead, his actions could have had doubtful political benefits.

Originally a physician from Kedah and now fourth Prime Minister of Malaysia, the 57-year-old Mahathir first entered Parliament in 1964 but was defeated in his 1969 reelection attempt by a Party Islam (PAS) opponent. A critical letter to Tunku Abdul Rahman, then Prime Minister, and its release to the press led to Mahathir's expulsion from UMNO the same year. His political revival began in 1972, when he was elected to the UMNO Supreme Council. Six years later he was appointed Deputy Prime Minister, and three years thereafter he became Prime Minister.

Despite his dynamic functional performance in the Ministries of Education and Trade and Industry, Mahathir's public image was largely, but unjustly, seen as a reflection of views he had expressed in his 1970

volume, *The Malay Dilemma*.¹ The stigma of being an "ultra" in defense of Malay interests still has some credibility today although a multiracial society should probably accept the author's pragmatism and consistency. As chief executive, Mahathir has maintained his directness and single-mindedness, characteristics that were significant in the selection of his deputy.

There were two contenders for the UMNO deputy presidency in July, 1981. One was Tunku (Prince) Razaleigh Hamzah who, at 45, had been Minister of Finance since 1976 and was generally regarded as a millionaire with the common touch. The other candidate was Datuk Musa, the 47-year-old Minister of Education, who had been a student leader and activist in his youth, had joined Parliament in 1968, had been reelected in 1969, but was dismissed from the party shortly thereafter. Like Mahathir, he was reinstated, beginning with the UMNO Supreme Council in 1971, and he subsequently headed a number of ministries. Musa's ordinary upbringing and the close identity of his views with those of the new Prime Minister clearly commended him for the "2-M" team. Although the final outcome was decided by party delegate election, Datuk Harun Idris's withdrawal from the race appeared to have helped Musa and had some bearing on later developments.

Intelligence, political acumen and a disarming forthrightness have made Datuk Musa a respected albeit slightly controversial component of the "team." When he opened the 30th general assembly of the Malaysian Chinese Association (MCA) in October, 1982, he ascribed elements of disloyalty to citizens of Chinese origin, particularly those who had settled abroad, an assertion that caused strong communal reactions. In August of the same year, Musa addressed the Thai-Malaysian General Border Committee and accused Thailand "of the lack of consistently strong pressure" in fighting remnants of the Malayan Communist party (MCP) that had taken refuge on Thai territory, again a comment that stirred scathing resentment in Bangkok. Likewise, when Musa visited Indonesia in February, 1982, he frankly conceded, "This is the first country to be visited by me as Deputy Prime Minister. This is significant because it is in accordance with tradition to give top priority to relations between our two countries." While Malaysia's preference for Islamic Indonesia is public knowledge, Musa may have touched

unnecessarily on neighborly sensitivities in Thailand and Singapore.

Another perennial Malaysian concern was a possible split within UMNO itself, with disastrous consequences for stability. For many years, Selangor's former chief minister, Datuk Harun Idris, had been a rallying force for the more conservative Malays. After 27 months of corruption trials and an appeal to the Privy Council in London, Datuk Harun was convicted of criminal breach of trust, among other charges, and began a six-year prison sentence in 1978. The case remained steeped in political controversy; but Harun never lost his substantial grassroots support.

While still in jail, in 1981 he was elected a UMNO vice president and gave his overt assistance to Musa for the Deputy President's position. Shortly thereafter, Harun was granted an extension of remission, ending his incarceration after 41 months. The constitution did not permit him to hold an elective office unless he were fully pardoned. Consequently, the 1982 national elections intentionally kept him on the sidelines as campaign manager for UMNO-Selangor. On the 25th anniversary of Malaysia's independence (August 31, 1982), Harun received a full pardon and all convictions were expunged from his record. The indigenous media see Harun as a future kingmaker, possibly with a senior Cabinet post.² More likely, his active membership in the party hierarchy may stimulate a further consolidation of UMNO, necessitated by assertive policies as much as by fundamentalist Islam. The rank and file still tend to view some actions of the 2-M government as too rapid and too radical.

The tactics employed in another case added substantially to the credibility of the government despite unmistakable political ramifications. In July, 1982, Datuk Mokhtar Hashim, the Minister for Culture, Youth and Sports, was arrested for complicity in the murder of Negri Sembilan State Assembly Speaker Mohamad Taha. The public was made aware that there was no Cabinet immunity for capital crimes. A likely successor to Mokhtar was Datuk Haji Suhaimi Kamaruddin, the UMNO youth leader and Deputy Minister in the Prime Minister's Department. In August, however, Suhaimi led a public but illegal demonstration against some visiting foreign human rights lawyers and was subsequently arrested. A few weeks later, he lost the contest for UMNO youth leader to Anwar Ibrahim.

Although these prominent actions enhanced the image of the 2-M government as upholding the rule of law, the laws themselves came under question. Mokhtar will be tried under the Essential (Security Cases) Regulations of 1975, which do not permit jury trial but allow hearsay evidence in camera and provide for the secrecy of witnesses. Suhaimi was arrested under the Internal Security Act for not possessing the required permit demanded of any group of more than five people assembling peacefully in public. A rather

¹"I contend that the Malays are the indigenous people of Malaya . . . this confers on the Malays certain inalienable rights over the forms and obligations of citizenship." Published in Singapore, the book was banned by the Malaysian government in 1970 for its strong communal views. When its author became Prime Minister in 1981, the book was sold openly in Malaysia.

²*New Straits Times*, August 31, 1982, pp. 1-2; *Asiaweek*, November 19, 1982, p. 11; *Far Eastern Economic Review (FEER)*, September 17, 1982, pp. 10-13.

critical international human rights report was accepted by Musa (as Minister for Home Affairs) in January, 1983, which may lead to a review of some practices but is less likely to lead to a change in the law.

Possibly the most serious issue facing Mahathir is the deteriorating relationship among Muslims, who constitute more than 50 percent of the country's population. UMNO guarantees political continuity in a multiracial society but is challenged by the fundamentalist opposition of the theocratic PAS. In trying to avoid a further polarization between UMNO "infidels" and PAS Shiites, the government tried to make conciliatory policy gestures throughout 1982: an Islamic university became a viable possibility; an Islamic insurance company was established, and an Islamic bank was added to the 38 banking institutions already operating in the country. New amendments to the penal and criminal procedures code may (if approved by the Senate in 1983) also provide the government with some questionable powers for curbing what it interprets to be religious excesses. Finally PAS is, fortuitously for UMNO, troubled by leadership differences between its former president, Mohamed Asri Muda, and acting president Yusof Rawa. The most influential factor in the intra-Muslim debate, however, is 37-year-old Anwar Ibrahim.

Until early 1982, the Malaysian Muslim Youth Movement (ABIM) was a politically effective embarrassment to the government, with its 40,000 members campaigning for implementation of an Islamic state, for eradication of rural poverty and for improved social justice. ABIM's president and vocal spokesman was Anwar Ibrahim, jailed for two years in 1974 as a result of his activities. Just before the April national elections, Mahathir succeeded in persuading Anwar to leave ABIM and to join UMNO in an active capacity. Within five months, Anwar gained a seat in Parliament, was appointed deputy minister in the Prime Minister's Department, was elected leader of UMNO's youth wing, PEMUDA, and by virtue of this office became a vice president of UMNO.³ This phenomenal rise has refurbished the government's profile in Muslim affairs. At the same time, it forces Mahathir to be more accommodating to Anwar's specific views (such as withdrawal of the controversial amendments to the Societies Act in December, 1982), since his departure from the Cabinet could have serious political consequences. Progress has its risks.

NATIONAL ELECTIONS

For the sixth time since independence, 15 months before its mandate expired the Malaysian government called for national elections. Mahathir and Musa had

already had nine months to give a hopeful indication of positive change ahead. Their campaign slogan of "clean, efficient and trustworthy" was not just futuristic ambition but a reflection of their past record. There had been mass defections of leaders and members from opposition parties. Most major issues had been constructively addressed by the government and thus preempted from oratorical combat. The Deputy Prime Minister's assurance that "we need to trim the fat out of the meat in administration and get the country going" mirrored the electorate's sentiments. The outcome was a foregone conclusion.

Of course, some traditions and procedures helped to reinsure confidence. The National Front (Barisan Nasional) had never lost its two-thirds majority in Parliament and had even increased it to four-fifths after 1974. The campaign periods had decreased from five weeks in 1969 to three weeks in 1978, and finally to 15 days (one day more than the legal minimum) in 1982. Public rallies were not allowed and even small group meetings (*ceramahs*) required police permission. Some rural Malay constituencies numbered as few as 20,000 voters compared to more than 100,000 registered voters in predominantly Chinese urban districts. A huge election budget, a favorable press, and a lopsided allotment of media air time contributed further to government self-assurance.

Public expectations were not disappointed. Almost 90 percent of the 154 parliamentary seats were won by the National Front; the highest margin of victory in the country's history. All state assemblies also came under Barisan control. Eight of the eleven member parties of the Front secured 132 federal seats and 61.28 percent of the votes polled. Although they won only one more seat, eight independently elected candidates provide additional government support. The opposition was reduced from 22 members in 1978 to 14 in 1982, divided 9 to 5 between the Democratic Action party (DAP) and PAS, respectively.

Three significant political trends emerged. The MCA was able to give unprecedented cohesion to the Chinese community; East Malaysian states showed a greater deviation from the centrist policies of the National Front; and, lastly, the decimation of opposition policies is leading to a concerned reassessment of the role of opposition. The Chinese in Malaysia, constituting 36 percent of the population, have never decided whether to attain their objectives of political representation, communal identification and economic proliferation through negotiation or confrontation. Traditional cultural fragmentation always seemed to produce political diffusion. 1982 changed the stereotype, giving greater credence to one voice and cooperation with the Malay establishment.

Competition for Chinese votes in Peninsular Malaysia was pursued between the Front members of MCA and GERAKAN (the latter still a regional party with

³For background see *The Star* interview with Dr. Tan Chee Khoo, April 9, 1982; *FEER*, September 17, 1982, pp. 10-11, December 17, 1982, pp. 58-61, January 13, 1983, pp. 9-10; *Asiaweek*, January 14, 1983, p. 48.

a locus of activity in Penang and Perak) and the opposition DAP. The leader of the MCA, Minister of Transport Datuk Lee San Choon, opted for a constituency that for years had been politically dominated by DAP chairman Chen Man Hin and had an electorate that was 60 percent Chinese. The Seremban battle between the party giants for ethnic Chinese recognition ended after two recounts, giving Datuk Lee an 845-vote majority out of 46,903 votes cast, with 1,232 spoiled ballots. The Chinese chose to work with the government and to increase MCA parliamentary representation from 17 seats in 1978 to 24 seats in 1982.

There were many reasons for this shift to communal unity, least of which perhaps was unity itself. No doubt, a positive appraisal of the 2-M government and its demonstrated ability for efficiency and fairness made a decisive impact.⁴ The newly found cohesion may not necessarily turn out to be an unmixed blessing for stability. Major Chinese concerns linger, whether they be education, employment in the public sector or the growth of capital assets stipulated by the New Economic Policy. It may be easier for UMNO to deal with various opposition parties than with one well-organized bloc of the Chinese community, which shares responsibility for government policies.

Developments in Sabah and Sarawak were possibly a little more disturbing because of their long-term implications. Barisan constituent members, the United Sabah National Organization (USNO) and Berjaya, have been rival forces in Sabah politics for some time. Mahathir declared that the state's 16 parliamentary seats, five of which were allocated to USNO and the remainder to Berjaya, were not to be contested competitively on an intrafront basis. Berjaya disregarded Kuala Lumpur's advice and fielded five independents against USNO, totally defeating the latter. Party discipline also weakened in Kuching, where two Sarawak National party renegades won over their former party leaders. This defiance of central guidance does not augur well for federal-state relations, and the fact that the DAP gained three parliamentary seats in East Malaysia will not make the task any easier.

Despite a tacit electoral understanding between PAS and the DAP, organized political opposition is at a low ebb. "Vote PAS and go to Heaven" as a campaign slogan helped to elect 5 out of 82 party candidates. The DAP fared slightly better, contesting in 56 constituencies and winning in 9, still considerably fewer than the 16 seats it won in 1978. In terms of geography, PAS regained some of its earlier strength in

Kelantan, and the DAP made the Federal Territory of Kuala Lumpur its Chinese opposition stronghold. The Malaysian Peoples Socialist party (PSRM) was not victorious, but its chairman, Kassim Ahmad (released from detention in late 1981), called for a broad-based opposition alliance that could rally around nationalism, socialism and religion. Although unrealistic in the present Malaysian political climate, the idea recognizes the need for a viable, front-type opposition and legitimized dissent. However, Mahathir reacted differently: "A constructive, effective opposition is good but not absolutely necessary."⁵ With almost total control in Parliament, some constraint on power may be desirable.

Every national election since 1969 has been fought by a different Prime Minister. Mahathir has five years to translate election promises into tangible benefits, and he views the future with equanimity:

People, moods can change. Suddenly, they may find me intolerable. Then perhaps I will retire. . . . I have a profession to retreat to. . . . When the time comes, I will be out.⁶

Issues will persist; success will be a matter of degree. Maintaining stable ethnic relations depends upon the performance of the economy. Unemployment and income disparities have tended to be chronic ailments, and social tension can be expected.

REFORM AND RETROGRESSION

More perhaps than in any other year, in 1982 Malaysia was confronted by the contradictions of economic development. As the country enlarges upon existing resources, expands its infrastructure and accelerates its industrialization, demand as well as dependence on external factors grows. The margin for error and the tolerance level for inefficiency decrease. Balancing riches and opportunities with declining growth and recessionist stagflation has invited government intervention, public investments, preferential licensing, restrictions in economic activities, and inhibiting regulations. A free enterprise economy is being circumscribed by public policies. Still, Malaysia is prospering amid a temporary slowdown.

The country has a comfortable gross national product (GNP) of \$25.71 billion, with an average annual growth (between 1970 and 1980) of 11.2 percent. Inflation for 1982 was estimated at 6.8 percent and the per capita income was estimated at \$1,797. One in 14 Malaysians has a car, 1 in 28 a telephone, and 1 in 13 a television set and a motorcycle. The country produces surplus energy, exporting oil worth \$2.3 billion in 1981. New gas discoveries in Sarawak will permit an additional delivery of 1.7 million tons of liquid natural gas (LNG) to Japan in 1983, bringing another \$500 million in foreign exchange earnings.⁷

Some fiscal optimism extends into 1983 with moderate growth expected in all major goods sectors, leading to a significant improvement in the gross domestic

⁴An excellent analysis can be found in *Asiaweek*, May 28, 1982, pp. 27-38, and in *FEER*, September 3, 1982, pp. 44-48, 93-96.

⁵In an interview with *Asiaweek*, May 7, 1982, pp. 42-43.

⁶*Asiaweek*, May 7, 1982, pp. 42-43.

⁷For some of the economic data, see *FEER: Asia Yearbook 1983* (Hong Kong, 1982), pp. 6-9, 193-199.

product (GDP) from 2.8 percent in 1982 to 4.4 percent in 1983. However, to overcome the severe recessionary impact, the government vowed to refrain from increased external borrowing and to rely on its own resources instead. Inevitably, this will mean a tightening in socioeconomic programs and possibly a cutback in heavy industrial projects.

One indication that Malaysia is attaining the status of a newly industrializing country is not just its affluence but an active labor migration. Agriculture is losing many of its farm workers to jobs with higher remuneration in urban areas. Last year, the government had to spend more than a billion dollars on food and related products. 400,000 acres had to be left idle despite the fact that rice cultivation has become the most protected and subsidized sector of the economy. Importing cheaper rice from neighboring Thailand has become more profitable. The decline in agricultural manpower is problematic but is being redressed by an influx of foreign workers.

Commonly, demands for industrial recruits are being met by rural migration to urban areas. This in turn leads to a shortfall in estate employment, a sequence which in Malaysia has the effect of a reduction in palm oil and rubber exports. 39.5 percent of Malaysia's 5.5 million work force is occupied in agriculture and fishing, with work opportunities expanding but availability of labor declining. Vacuums have a tendency to be filled; in this case, thousands of illegal Indonesian immigrants are arriving weekly in small boats from Sumatra or are crossing the border directly into Sabah. The government estimates that as many as 300,000 of these Indonesians are in Sabah alone, with another 100,000 in Johore, Malacca and Negeri Sembilan. The numbers are too large for the judicial remedies of arrest and deportation; the Indonesians constitute the major source of foreign labor for Malaysia. Thus legislation during 1982 converted a problem into a virtue by developing a guest worker status and government-controlled contracts.

Yet in terms of total development, Malaysia's economy remains desperately dependent on foreign trade which, in 1982, represented 86.2 percent of the GNP. It is interesting to note that the volume of trade with Japan was almost twice as high (23.4 percent) as that with the United States (12.6 percent). Western industrialized countries, however, still receive the major share of Malaysia's exports (51.4 percent), which accounts for Kuala Lumpur's sensitivity to fluctuations in export earnings. Prices for rubber, tin, palm and crude oil have dropped precariously, causing a widening trade gap and shrinking budget revenues. The government has reacted by using some aggressive and less fashionable tactics for influencing world market commodity prices.

One such case involved the export of tin, of which Malaysia produces 33 percent of the world output, 60

percent if its ASEAN (Association of Southeast Asian Nations) partners, Thailand and Indonesia, are included. In order to stabilize the tin price, a "mysterious buyer" (identified by the media as a Malaysian government-dominated corporation) bought heavily at the London Metals Exchange. Subsequently, Mahathir decreed a 25 percent reduction in tin production for 1982. When these unilateral measures did not achieve price stabilization, Malaysia tried to form a tin cartel of producer nations, an effort that was postponed indefinitely in August, 1982, for lack of regional cooperation. Natural rubber was another commodity whose declining market value caused Malaysia to adopt tactics almost identical to those employed for raising the tin export price. Opposition to the unorthodox methods led to the same results.

When Finance Minister Tunku Razaleigh Hamzah introduced the government's 1983 budget in Parliament on October 22, he reversed expansionary policies and public spending and increased taxes on consumption. The austerity drive was as resolute as the new leadership. The entire Cabinet took a pay cut; housing and car loans for civil servants were frozen and their salary increases were limited to an average of one percent. Development expenditures for defense and internal security were trimmed by 47 percent, and armed forces exercises were canceled altogether. Of course, some cuts may be restored as the world economy improves. In the meantime, the recessionary repercussions have placed a greater stress upon Malaysian ingenuity and have forced the application of self-help measures that will have a bearing on the form of future development.

EXPLICITNESS AND ANTAGONISM

Fresh approaches and a new style are also evident in Malaysia's foreign policy. Mahathir kept its general outline shrouded in ambiguity when he addressed the UMNO General Assembly in September. He spoke of "a need for realigning foreign relations" and for "determining its priorities from time to time." Precise elements of the foreign policy seemed to emerge more from actions than from any preconceived, comprehensive plan. Key components coalesced around a "Look East" policy with emphasis on Japan, South Korea and the Southwest Pacific island states, an intraregional development within the framework of ASEAN, a low-profile security dimension and, finally, a more active identification with the Islamic movement, stimulated perhaps by secular rather than religious interests with a visit to the Gulf States and Saudi Arabia.

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BOOK REVIEWS

ON SOUTHEAST ASIA

VIETNAMESE COMMUNISM, 1925-1945. By *Huỳnh Kim Khanh*. (Ithaca: Cornell University Press, 1982. 400 pages, maps, photographs, bibliographies, notes and index, \$25.00.)

This is an important work on the early history of Vietnamese communism; the product of original research into the origins of the Indochinese Communist party (ICP). Well written and clearly organized, the narrative traces in considerable detail the "grafting" of Leninism onto Vietnamese patriotism in the making of the ICP. Particular attention is paid to the dissemination of the grafted ideology through Ho Chi Minh's paper, *Thanh nien*, and there is a thorough analysis of the ICP during its various phases.

W.W.F.

THE ENDLESS WAR: FIFTY YEARS OF STRUGGLE IN VIETNAM. By *James Pinckney Harrison*. (New York: The Free Press, 1982. 372 pages, notes, bibliography and index, \$17.95.)

A chronicle of the war in Vietnam, this study is an attempt to view the conflict from the "Vietnamese perspective"; in truth, it is a review and interpolation of the secondary literature surrounding the rise of communism in the north and south. Although the attempt to write a popular history of the Communists' travails is laudable, the book suffers from an excessively rhetorical style.

Harrison makes some valid comparisons between the Chinese and Vietnamese Communist experiences, and his sympathetic account of the plight of the revolutionaries under the French and Americans shows how the anticolonialist impulse became so deeply ingrained in the revolutionary movement. Unfortunately, the awkward organization of the book muddles the main characters' positions in the conflict, and the lax editing makes for difficult reading.

W.W.F.

WHY VIETNAM? PRELUDE TO AMERICA'S ALBATROSS. By *Archimedes L. A. Patti*. (Berkeley: University of California Press, 1981. 632 pages, notes, appendices, bibliography and index, \$19.50, cloth; \$10.95, paper.)

Patti's book is recognized as one of the major sources of information on early United States involvement in Vietnam. Drawing on his position as head of the OSS (Office of Strategic Services) mission to Indochina during and immediately following World War II, Patti recounts his meetings with Ho Chi Minh; he believes that a different American ap-

proach would have avoided subsequent United States involvement in the war in Vietnam. The French attempts to retain their Indochinese colonial holdings after the war and the United States unwillingness to accept Ho's arguments that his Viet Minh represented the independent government of Vietnam are covered in detail, with Patti providing information that was heretofore classified by the government.

W.W.F.

BECOMING AMERICANS: ASIAN SOJOURNERS, IMMIGRANTS, AND REFUGEES IN THE WESTERN UNITED STATES. By *Tricia Knoll*. (Portland, Or.: Coast to Coast Books, 1982. 356 pages, photographs, maps, appendices and index, \$22.50, cloth; \$14.50, paper.)

This very moving account traces Asian immigrants of all nationalities from their homelands until the time they become American citizens. Asian Americans are the fastest growing ethnic group in the United States, and it is important for all Americans to understand the experience of *Becoming Americans*. Although Tricia Knoll focuses on Asian experiences in the western United States, the account reflects the Asian experience across America. Maps and photographs add to the text.

O.E.S.

REFUGEE: THE VIETNAMESE EXPERIENCE. Edited by *Lesleyanne Hawthorne*. (New York: Oxford University Press, 1982. 330 pages, map and bibliography, \$49.00.)

A collection of interviews by an Australian writer, this small volume individualizes the plight of 20 Vietnamese refugees who left Vietnam and fled to Australia. There is clearly a growing need for study of the refugee experience; thus it is unfortunate that this book is so obviously overpriced.

O.E.S.

THE FAR EAST AND AUSTRALASIA 1982-1983. 14th edition. (London: Europa Publications, 1982. Distributed by Gale Research Co., Detroit, Michigan. 1,410 pages, bibliographies and maps, \$130.00.)

This is the newest edition of what has become by far the most accessible and useful volume of information on South Asia, Southeast Asia, the Western Pacific nations and the Asiatic U.S.S.R. Each chapter contains updated information on the politics, foreign policy, economics and history of the individual countries that make up the region. There are also easily used statistical tables in each chapter on population, agriculture, industry, finance and other topics.

W.W.F. ■

THE POLITICAL ECONOMY OF PANCASILA IN INDONESIA

(Continued from page 171)

intrusion of modernization and government-initiated developments. To add to this a new structure of democratic and substantially autonomous cooperatives would be a considerable feat of social engineering, but not necessarily an impossible or an incompatible endeavor. If this is the formula by which the social consensus decides to implement *Ekonomi Pancasila*, it is likely to undergo the transition gradually and organically, with trial-and-error learning-by-doing, and with mixed success in different circumstances and over different time horizons. It is not an alternative economic system that is awaiting full-blown manifestation after a political interregnum.

The Suharto administration has already undergone significant metamorphosis in identification and pursuit of its priorities for a "just and prosperous society." It has elevated the "eight socioeconomic development equalities" (basic needs, education and health, income distribution, employment, business opportunities, youth and women, regional balance, human rights) to at least equal status with "economic growth" and "political stability" as the "development trilogy" of national objectives. It has taken steps to limit the scope of foreign enterprise in favor of *pribumi* (indigenous, non-Chinese) enterprise,¹⁸ and to provide subsidized credit and other support to small farmers, businessmen and tradesmen, encouraging joint ventures of various kinds. It has also inveighed sporadically against conspicuous consumption, corruption, and excessive officiousness and abuse of power by public servants.

Where government effectiveness has been most constrained, however, is in devising workable and inno-

¹⁸As early as July, 1968, the government issued a Law on Domestic Capital Investment that decreed that "alien enterprises" would be excluded from commercial activities after December 31, 1977, and from industrial activities after December 31, 1997. Some exceptions and slippage from the decree have subsequently been allowed, though other measures have been instituted to aid *pribumi* firms.

¹⁹This theme is explored more fully in "The Role of Private Voluntary Organizations in Livelihood Enhancement at Village Level in Indonesia," in Anita Chen, ed., *Contemporary and Historical Perspectives in Southeast Asia* (forthcoming).

²⁰Though the "Fretilin" independence movement is still a minor irritant, East Timor seems to have accepted its integration into Indonesia after seven years of military campaign and stringent control; it is now being "flooded" with development funds, and more indigenous participation in administration is being encouraged. See *Far Eastern Economic Review*, August 6, 1982, pp. 19-25. Both the East Timor and West Irian acquisitions and military operations seem to have had unquestioned popular support throughout the rest of Indonesia.

²¹Under the recent, post-election Defence Acts, the army's sociopolitical role and the incorporation of the police as part of the armed services were formally legalized. See *Far Eastern Economic Review*, August 27, 1982, pp. 20-21.

vative means for "bottom-up" participation to support, supplement and symbiotically interact with top-down initiatives and the types of program support it is prepared to offer (e.g., *Inpres* programs). To conceive and operate such a "family principle," with genuinely democratic input from below, requires destroying centuries of ingrained subservience and suspicion toward direction from above, and it perhaps goes against common sense to expect bureaucrats and planners to reverse their natural inclination to assume the mantle of authority and to cultivate acquiescence from "below." What seems to be required, therefore, is the creation and encouragement of all kinds of "nongovernment organizations" (NGO's) at the village level and at the district and provincial level that are representative of small farmers, businessmen, religious and other community groups. The NGO's could help build up confidence and experience in identifying what can be accomplished in making operative the goals, spirit and *modus vivendi* envisaged by *Pancasila*.¹⁹

After the recent election victories and in looking toward *Repelita IV*, the government might feel confident enough to allow more institutional fermentation in Indonesian society, even though it might entail more political fermentation as a by-product. This is the "crossroads" quandary for the New Order as it blazes the trail into the unknown future. Can it allow for greater uncertainty in hopes of finding a better path to progress under *Pancasila*? Or should it hold the reins for fear of deviating from the lines it has already drawn? Stabilization of the situation in East Timor²⁰ and popular support for the Indonesianization of West Irian (despite substantial local protest), together with the near universal acceptance of *Bahasa Indonesia* as the national language, should create confidence that unity in diversity and "national resilience" are sufficiently secure. Acceptance and institutionalization of the *dwifungsi* (dual function), or more accurately "*omni-fungsi*" presence, of the armed services, and the extensive national communications and administrative network also provide prudential guarantees that things cannot get too far out of government control.²¹ The elevation of expectations and public debate on the promise of *Pancasila* and the government's commitment to enhanced participation and equity also give support to a less risk-averse approach.

Mundane "fiscal realities" are also likely to give impetus to the search for indigenous solutions and institutional support for Indonesia's development in the years ahead. The "end of the bonanza" phase, at least temporarily, in the current lean years of the world recession makes it imperative that government planners radically rethink their *modus operandi*. Falling oil prices, plus a 25 percent abrupt decline in non-oil primary export earnings, transformed a US\$2.5 billion surplus balance of payments for 1980-1981 into a \$2.5 billion deficit for 1981-1982. Indonesia has agreed to

a further 20 percent cut in oil production and export and may have to agree to further restraints imposed by OPEC (Organization of Petroleum Exporting Countries). The World Bank's projected \$23 billion net foreign exchange shortfall for Indonesia in 1982-1986 is thus likely to be exceeded, and ironically its "promotion" of Indonesia to "middle-income country" status is likely to make concessional funds harder to come by. With foreign investment at a standstill, Indonesia's economic growth strategy cannot be readily based upon foreign borrowing.

Proposals for stepped-up domestic financing relate mostly to indirect corporate taxes and urban real estate taxes and attempts to reduce leakages in tax collection and public expenditure.²² There will also be strong pressure to make further inroads into the \$3.3 billion used to subsidize domestic food, fuel oil and fertilizer prices (as part of the "basic needs" program) and the millions of dollars in loan subsidy programs (as part of the "*pribumi* stimulus" program). Planners will no longer enjoy the "easy-street" option of seeking to solve development problems by throwing money at them and will have to rely on more "self-sustaining" processes. Local self-help and other NGO activities offer possibilities in this respect that may now appear more attractive than hitherto. Perhaps this may be the magical ingredient required for *Repelita IV*. ■

²²See "Survey of Recent Developments," *Bulletin of Indonesian Economic Studies*, July, 1982. Other tactics to weather the "harsher international climate which now faces Indonesia" are also described, including the "counter-purchase policy" under which foreign suppliers under government contracts are now obliged to buy an equivalent value of something to export. This extreme Sukarnoist-type measure seems likely to have a marked effect, one way or the other, on the terms and working relationships between foreign contractors and local patrons. It may open the door to more "under the counter" payoffs, or it may reduce foreign dependency and stimulate a more viable local construction and service sector.

SOUTHEAST ASIA AND THE SUPERPOWERS: THE DUST SETTLES

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abusing the ASEAN countries of the belief that China sooner or later intends to conquer them, as the U.S.S.R. regularly asserts.

REGIONALISM

The best and perhaps the last best hope for peace, stability and economic development in Southeast Asia is regionalism, which may well prove to be the most important force shaping relations within the region and between the region and the superpowers. Even if it does not prove to be decisive, it is a phenomenon to be watched, for in its dynamism it is a weathervane. Regionalism appears to be a growing force worldwide, undoubtedly a reaction to the failure of earlier, more ambitious experiments in internationalism like the

United Nations. Regionalism is also a matter of growing necessity, a manifestation of collective efforts to cope with an ever more interdependent world order. In short, regionalism is being pushed along by history.

In Southeast Asia, there are two loci of regionalism, Communist Indochina and ASEAN. It seems probable that eventually, perhaps by the year 2000, there will be a Federation of Indochina, a confederation of the three Indochinese states dominated by Hanoi.

The ASEAN countries still are searching for the regional configuration that will serve them best. Their choice is wide: they can become a common market, a military establishment replacing SEATO (Southeast Asian Treaty Organization), or a unit in alliance with a great power. ASEAN can become a Mideast-type consortium with systematic links to multinational corporations and international funding agencies. Or ASEAN could become one element within a super-regional structure, a pan-Asian grouping that would include northeast Asia.

In any event, regionalism in Southeast Asia faces many barriers. A major enemy is historical animosity, like the internecine clan struggles, socioethnic antipathies and local rivalries that have sprung from territorial disputes or use of various languages. These are the waste products of centuries and they have left vast pools of suspicion and distrust. Such animosities dissipate slowly, but regionalism can contribute to the process of dissipation. As all international negotiators know, one of the most effective devices for dealing with deeply ingrained confrontational rivalry is to drown it in a larger context. Then the disputants are forced to consider other factors in addition to their hostilities. In Europe, mutual antipathy between Germany and France still exists, but it has been significantly buried by a broader concern, the Franco-German search for national security and prosperity.

Regionalism's second great enemy in Southeast Asia has been nationalism, or sometimes ultranationalism, which doomed the pre-ASEAN experiments. Nationalistic sentiment is fanned by specific conditions like Muslim separatism, competing economies (most ASEAN states are producers of raw materials) and conflicting claims on ocean and other resources.

The transfer of sovereignty is psychologically difficult since it seems to be an unjustified loss as well as a violation, even when there is advantage to be gained. But the nationalist spirit can be tamed in Southeast Asia as it has been tamed elsewhere, in West Europe for example. Progress comes when the pace is measured and the perception gradually spreads that great benefits accrue from damping down the fires of nationalism, and that this can be accomplished without loss of national honor. Southeast Asians generally are pragmatic people and, although proud, they are not inclined to deprive themselves materially for the sake of an abstraction.

The superpowers would be well advised to eschew exploiting regionalism as a cold war weapon. The temptation is great, particularly for the Soviet Union and China. The U.S.S.R. should disabuse itself of the notion that regionalism is a force permanently hostile to its interests. The most constructive attitude the superpowers can take toward regionalism is to recognize and encourage its enormous potential for peace, security and prosperity in Southeast Asia. In the long run, that will benefit all. ■

LAOS: BOTTOMING OUT

(Continued from page 157)

member of that key ruling body who is not a lowland Lao (Lao Lum). The hill tribe people, Lao Theung (the slope dwellers), and Lao Sung (the mountain dwellers) make up half the population of the country; they provided well over half the members of the armed forces of the Pathet Lao and possibly half the then-secret party. Yet the central committee continues to be dominated (79 percent) by the Lao Lum of the Mekong Valley towns.

Four women have been elevated to the CC (including Prime Minister Kayson's wife), and the average age of the committee is a respectable 55 years. There has been a remarkable continuity of leadership since the party's secret founding in March, 1955, despite the rumors over the years of internal divisions over policy towards Laos's Communist mentors—Vietnam, China and the U.S.S.R. Fifteen of the present CC members were also members of the Indochina Communist party, founded by Ho Chi Minh and divided in 1951 into separate parties for Vietnam, Laos and Cambodia. Yet the oldest member of the committee is only 74. Sisomphone somewhat proudly announced that 90 percent of the CC members had attended "intermediate and high-level courses on Marxist-Leninist theory."¹¹

Thus the party seems to have taken stock and decided to continue with the revolutionary generation (who are generally in their sixties) at the helm and with the policy of the gradual imposition of communism. As party secretary General Kayson summed it up in his address:

The main obstacle is our small production permeated with the character of a natural [subsistence] economy. Therefore, the biggest problem at present is to encourage and provide assistance, guidance and organization for the various strata of the people—particularly the working peasants—to take up voluntarily the path of socialist collective production, thus gradually eliminating poverty and backwardness.¹²

The experience of the party thus far in organizing peasants, both voluntarily and not so voluntarily, has

made it clear, however, that the peasants are not readily amenable to collective production, especially when it lacks immediate rewards.

FOREIGN POLICY

The culmination of the problems of economic development, national cohesion, and popular consent to one-party leadership is found in Lao foreign policy. Here the basic pattern was set by the 30-year struggle of the Lao disciples of the Indochina Communist party, who strove from the end of World War II to 1975 to gain control of the former French protectorate of Laos. In the course of these three decades, the secret LPRP was formed, and it manipulated the Lao Patriotic Front (or Pathet Lao). The Vietnamese Communist apparatus and armed forces, as well as the military assistance teams of China and the U.S.S.R., advised and supported this revolutionary effort. The Lao-Vietnamese treaties of friendship and cooperation of July, 1977, formalized this "special relationship" for the Indochina neighbors after their final victories. However, the Vietnamese relationship with China soured perceptibly once the American military threat to the region ended.

By December, 1978, this divergence of Chinese great power attitudes and Vietnamese presumptions of leadership in Indochina had reached the fatal point of armed hostilities. Somewhat earlier, Vietnam had decided to eliminate the insubordinate Chinese-oriented Communist revolutionary regime in Kampuchea, the Pol Pot-led Khmer Rouge. This startling quarrel within the Communist camp obliged the Lao leadership to choose sides as China prepared a limited retaliatory invasion of northern Vietnam.

The choice for Laos was clearly constrained by history and geography, but Soviet aid and encouragement also weighted the scales. With full verbal support from Laos, Hanoi installed a pliant Kampuchean regime in Phnom Penh and gave it military support. China made its punitive 12-mile entry into Vietnam and withdrew, but it maintains the threat of a second incursion. Alternatively, China could send its forces or the Lao refugee forces that it has trained and supplied in Yunnan province into northern Laos. Here the Chinese built the major roads for many years, until March, 1979, when all aid relationships with China were terminated by the LPDR.

The Vietnamese invasion of Kampuchea, however, has further complicated Lao foreign relations by stirring the anxieties of Thailand, which sees Vietnamese troops now sitting at its borders; and the Thais have enlisted the support of the Association of Southeast Asian States (ASEAN), as well as China and the United States, to pressure Vietnam to withdraw within its own frontiers. The Vietnamese resistance to such diplomacy has sometimes been orchestrated via solidarity meetings of the foreign ministers of all three Indo-

¹¹Foreign Broadcast Information Service (FBIS), Laos, April 17, 30, 1982.

¹²Chanda, *FEER*, May 28, 1982, p. 22.

china states, and has even been presented at the United Nations by Lao Foreign Minister Phoun Sipaseut.

For its part, Thailand has sometimes vented its frustrations over Vietnamese violations of its border (as well as shooting incidents along the Lao-Thai frontier), punishing Laos by closing trade or transit across the Mekong.¹³ Thus Vietnam's negative regional relations draw Laos into foregoing aid and avoiding punishment from China and enduring delicate trade relations with Thailand. A policy that could distance itself from Vietnamese interests might more directly serve the needs of Laos, but the die has been cast in the camp of Hanoi, which is supported by the Soviet bloc and whatever United Nations and humanitarian donors can be attracted.

The aid relationship between the United States and Laos was terminated in June, 1975, after radical student demonstrations against the conspicuous United States AID operations, which were considered a symbol of "neo-colonialism." Since then United States executive policy and congressional legislation have permitted only "humanitarian assistance" to Laos (some food was dispatched during the 1977 drought). To the Lao complaint that the United Nations has failed to "heal the wounds of war," as it agreed to do in the Paris cease-fire agreement with Vietnam, the United States counters that neither Vietnam nor Laos has provided the information on United States military personnel who are still missing-in-action (MIA) as they promised to do in their respective cease-fire agreements. The remains of 78 American servicemen were returned from Indochina between 1975 and August, 1982, but the United States lists 2,500 as missing (including 550, mostly airmen, in Laos) and there is evidence that Vietnam possesses considerably more information, probably including remains. Both Vietnam and Laos have only made an effort to satisfy United States demands at carefully selected moments for political effect. Although the United States maintains an embassy in Vientiane (unlike its lack of diplomatic relations with Hanoi), neither aid nor MIA information was being transmitted until after a 1981 visit by United States Senator Sam Hayakawa (R., Ca.), who suggested that the United States volunteer to help remove unexploded bombs from the repopulated Plain of Jars.

Even though this proposal did not work out (Laos hedged on letting United States personnel into such an interior location), United States medical assistance that Congress could accept as humanitarian was donated to the hospital in Vientiane. Subsequently, in

September, 1982, American MIA Association representatives were welcomed in Vientiane and escorted to two remote crash sites and a cave where United States prisoners of war had been buried. Some bone fragments were recovered for analysis and possible identification.

Such accommodating treatment by the Lao authorities was a stunning new development in the United States postwar relationship and immediately raised questions as to its purpose. Early speculation suggests that Laos would like to generate United States economic assistance, and that Vietnam is willing to let Laos test United States good faith in these matters. Not long after the buoyant return of the United States MIA mission the world press recorded that Prime Minister Kaysone had been chided again by Soviet leaders in Moscow for the wasteful utilization of economic assistance.¹⁴ Such reports not only raise the question of whether Laos has good reason to seek a United States aid relationship as insurance, but also whether the United States could stand Lao inefficiency once again.

A second improvement in Lao foreign relations in 1982 was the restoration of official relations with France, which were broken in 1978 following a somewhat needless series of disagreements. The well-gearred tradition of French economic and technical assistance is expected to resume, even while anti-Communist Lao refugees organize in Paris.¹⁵

Thailand is another center of refugee resistance posturing, but the LPDR has been willing to maintain friendly official relations in the hope that the covert activities conducted from the border areas will eventually be seen as counterproductive. Thai Prime Minister Kriangsak and Lao Prime Minister Kaysone exchanged visits in 1979 and tried to personalize a commitment to making the Mekong a river of peace. Since Kriangsak's overthrow in 1980, however, Lao-Thai relations have experienced ups and downs with regard to Thai anxieties over the refugee flow out of Kampuchea and Laos and the visibility of the Vietnamese presence in the two countries. The threat of a Thai blockade of Laos is ever present, but the two states share a common interest in reducing the tensions and the flow of refugees and maintaining the flow of trade across the river.

In the case of China, where a few prominent Lao defectors have appeared since the chilling of Lao-Chinese relations, the LPDR can hope that the Lanna Division of several thousand Lao refugees reportedly being trained in Yunnan by former Royal Generals Vang Pao and Kong Le will remain evanescent. Considerable propaganda value has been extracted by China from the defection in 1979 of Sisanan Saignouvong, the editor of the official Lao daily *Siang Pasason*, and Bounlob Phonsena, the *chef de cabinet* in the Planning Directory, and in 1981, of Khamisengkeo Sengsith, former bureau director of the Ministry of Health.

¹³Martin Stuart-Fox, "Laos in China's Anti-Vietnam Strategy," *Pacific Community*, winter, 1981; and S. S. Bedlington, "Laos in 1981: Small Pawn on a Larger Board," *Asian Survey*, January, 1982.

¹⁴*The New York Times*, Sept. 20, 1982, p. A7.

¹⁵Cf. *Indochina Chronology*, vol. 1, no. 3, p. 13.

Interviews with these former government insiders have focused attention on the pervasive influence of Vietnamese advisers, which partly inspired their defection to China. Khamsengkeo described a special body of some 140 Vietnamese cadres called the working committee for the West, or CP-38, which he said was deciding all the domestic and foreign policy positions of Laos.¹⁶ He also reported that a Vietnamese is permanently posted at the Ministry of Interior, where he personally controls internal security. Since 1979, periodic arrests of several hundred government personnel have taken place, with the reported charges varying from corruption to pro-Chinese behavior.

CONCLUSION

The beleaguered Lao republic may have reached the bottom in its efforts to impose a collectivized state-planned economy on an impoverished, complaisant country that lacks a true sense of nationhood. After seriously antagonizing its own people and both China and Thailand, the party leadership has slowed the pace of socialist construction, and is experiencing tensions between its foreign policy alignment with Vietnam, and its practice of preferring concrete aid or trade relations without regard to ideology. If such pragmatic policies continue, Laos may begin to measure genuine economic development. Should this occur, the significance of resistance activities organized in China, Thailand or France might fade and Laos might become less dependent on the Soviet Union and Vietnam. ■

¹⁶Nayan Chanda, "A Defector's Designs," *FEER*, March 26, 1982, p. 44.

THAILAND

(Continued from page 166)

partners to persuade the Khmer resistance forces to form a coalition against the Vietnamese-supported Heng Samrin government in Kampuchea. The coalition agreement was signed on June, 22 1982, and the following month Prince Norodom Sihanouk visited Bangkok (for the first time in 23 years), and then proceeded to guerrilla camps on the Thai-Kampuchean border to direct the struggle.

The Thai government hailed the coalition as a major diplomatic success for ASEAN and its supporters on the Kampuchean question. The Vietnamese presence in Kampuchea naturally was of particular concern to Thailand because it had lost the traditional buffer between itself and Vietnam. The threatening implications to Thailand of a Vietnamese-controlled Kampuchea were seen as severe enough to justify a major buildup of Thai defenses; arms sales from the United States to Thailand more than doubled from 1979 to 1982 (United States foreign military sales credits to Thailand increased from \$30 million to \$67 million).

On the other hand, there was an undercurrent of anxiety over too close an involvement with Khmer coalition-building. This was publicly expressed by the secretary general of the National Security Council, Squadron Leader Prasong Soonsiri, in March, 1982, when he cautioned that it was in Thailand's best interest to keep a certain distance from the Khmer resistance groups to give substance to the professed policy of Thai neutrality in the Kampuchean conflict. This concern surfaced again when the coalition agreement was signed, signaling an intensification of both the diplomatic and the military conflict in Kampuchea. There was a lively discussion in the Thai media, particularly during Sihanouk's July visit.

Various anxieties can be discerned in this discussion. The coalition agreement does not hide the fact that the Pol Pot forces remain the most important military element in the Khmer resistance. If the resistance succeeds in driving out the Vietnamese, the Thais must expect the Pol Pot Communists to remain in Kampuchea. But the Pol Pot Communists have been no friends of Thailand in the past. Why should Thailand be involved in a conflict between Khmer Communists and Vietnamese Communists? The government should concentrate on fighting the Communists at home.

The coalition also means intensified fighting in Kampuchea, which will probably spill over into Thailand. Given Thailand's support for the coalition, even if it is only diplomatic, Vietnam will become more hostile toward Thailand.

If Sihanouk succeeds in becoming the de facto as well as the de jure head of the Khmer resistance, this would be small comfort to Thailand, given Sihanouk's mercurial past policies. Moreover, in the boundary dispute between Thailand and Kampuchea over the Preah Vihear temple (settled in Kampuchea's favor in 1962), Sihanouk showed that he was not really a friend of Thailand's.

A continuous and intensified confrontation with Vietnam would also make it difficult for Thailand to explore economic relations with Vietnam that could be beneficial for Thai exports. Vietnam is potentially a large and important market for Thailand, particularly in view of Vietnam's reconstruction needs and its ambitious development plans.

Lastly, the Thais are worried that the large powers are manipulating the Kampuchean conflict for their own interests. In becoming too involved with the Khmer resistance forces, Thailand risks becoming a pawn of the large powers, particularly China, which only recently professed itself a friend of Thailand's.

These anxieties, however, did not lead to a major challenge to the government's policy. The government continued to maintain that only the United Nations formula for Vietnamese withdrawal and free elections in Kampuchea was acceptable, and that the Khmer

coalition was a necessary instrument to compel the Vietnamese to negotiate on United Nations terms. When Vietnamese Foreign Minister Nguyen Co Thach stopped in Bangkok in October, 1982, on his return journey from Indonesia, the Prem government took the occasion to summarize its rejection of Vietnamese proposals and overtures: the partial Vietnamese military withdrawal from Kampuchea in June was a "ruse"; an international conference with limited participation on Southeast Asian peace and stability must be rejected in favor of a United Nations forum; a demilitarized zone between Thailand and Kampuchea "falsely implies" that the conflict is between Thailand and Kampuchea while the "real conflict" is caused by Khmer resistance to Vietnamese occupation; an empty-seat formula for Khmer representation in the United Nations is a cover for a strategy to enable the Heng Samrin government to claim the seat.¹⁶ Similarly, when Prem visited Beijing in November, he took the opportunity to obtain assurances that China would continue to support the Khmer coalition and the United Nations formula.

Despite the apparently firm Thai position on Kampuchea, there were signs that awareness of the costs of the current policy—as exemplified in the media discussion in July—was not entirely submerged. While no clear alternatives were proposed, it was felt that ASEAN must keep the door open to a dialogue with Vietnam and that Thailand should "stand ready to help Hanoi extricate itself from Kampuchea," as the generally very cautious *Bangkok Post* editorialized on November 17. A similar theme was developed in an earlier editorial on September 7. Noting that Vietnam was preoccupied with the threat from China and that the ASEAN countries were concerned about both Soviet and Chinese intentions toward Southeast Asia, the editorial concluded that "ASEAN and the Indochinese states can work together to rid our region of these threats." As in the case of domestic policy, however, it seemed easier to define a desired end result than to chart an acceptable strategy of implementation. ■

¹⁶*Voice of Free Asia*, November 1, 1982.

STRATEGIES FOR SURVIVAL IN KAMPUCHEA

(Continued from page 153)

ical support for Sihanouk and Son Sann will not increase inside Cambodia enough to present the regime with the likelihood of a full-scale civil war. The Pol Pot segment of the existing coalition, whether or not accompanied by non-Communist window-dressing, will be unlikely to reenter Cambodian political life without massive military support—including personnel—provided by another country.

Finally, it is unlikely that the Heng Samrin-Vietnamese forces or those of the Pol Pot coalition, at current levels of support from overseas, would be

able to make the other side surrender. An invasion of Cambodia by augmented Pol Pot forces behind a non-Communist political facade would probably provoke a costly but successful Vietnamese military response. Similarly, it seems unlikely that the forces in power in Cambodia will be able to deliver a coup de grace to the Pol Pot army without themselves invading Thailand, ironically in much the same manner (and for the same reasons) that United States President Richard Nixon invaded Cambodia in 1970.

Two remote possibilities need to be mentioned. A détente between China and the Soviet Union might cause one or the other to betray an outworn client (quite possibly Pol Pot) in the interests of a "united front" against the United States. Or the Vietnamese might be able to persuade Prince Sihanouk to abandon the coalition and serve them as a figurehead in Phnom Penh. Such a move would enhance the legitimacy of the People's Republic of Kampuchea and diminish the long-term chances, small in any case, of a meaningful non-Communist coalition.

Because no dramatic breakthrough in Cambodia would serve the interests of any nation now interfering in its affairs—although it would favor one contending Cambodian faction or the other—the prospects of continued stalemate, gradually shifting in Vietnam's favor, appear likely for the remainder of the 1980's. It is very unlikely, however, that what will happen inside Cambodia in these years will depend primarily on decisions made by Cambodian officials in Phnom Penh. ■

VIETNAM'S NEW PRAGMATISM

(Continued from page 161)

The direction of Vietnam's foreign policy was clearly set out in the central committee's report adopted by the fifth congress. According to this document, "the collusion between the chieftain of imperialism [i.e., the United States] and Chinese expansionism and hegemonism is a striking characteristic of the current international situation." China was accused of conducting a "multifaceted war of sabotage" against Vietnam; because of this, Vietnam characterizes China as the "direct and dangerous" enemy of the Vietnamese people.

To preserve its national independence, the report explains, the foundation and cornerstone of Vietnam's foreign policy is "solidarity and all-round cooperation with the Soviet Union" as well as cooperation with fraternal socialist countries, the maintenance of a strategic alliance and special relationship with Laos and the People's Republic of Kampuchea and close cooperation with members of the Nonaligned Movement (NAM).

In the period following the fifth party congress, Vietnam launched a major "peace offensive," with the primary object of seizing the initiative over the situation in Kampuchea. Vietnamese strategy also appeared designed to isolate China from the five-mem-

ber Association of Southeast Asian Nations (ASEAN), to play upon differences among the ASEAN states (and among the elites and ruling circles within each state), and to undermine ASEAN's strategy of maintaining diplomatic and other pressures on Vietnam to withdraw from Kampuchea.

In all these efforts, Vietnam sought to convince its opponents that China was the prime cause of instability in Indochina and that as long as China threatened the Indochinese countries, Vietnam would have to maintain military forces in Kampuchea.¹⁴ Further, the Vietnamese sought to demonstrate that the Heng Samrin government (the People's Republic of Kampuchea) was firmly in control and attempts to isolate and/or "bleed" Vietnam were not working.

The impetus for Vietnam's "peace offensive" arose from three distinct sources: Soviet pressures exerted since the September, 1981, summit between the leaders of the three Indochinese nations and Soviet President Leonid Brezhnev; successful ASEAN diplomacy internationally, regionally and in the United Nations; and pressures within the party's central committee to break the stalemate of indefinite conflict with China over Kampuchea.

Immediately after the fifth congress, Vietnam's Foreign Minister, Nguyen Co Thach, embarked on a whirlwind tour of France, West Germany, Sweden and Belgium (he also stopped in East Germany and the U.S.S.R.). This was followed by an official visit to India. In mid-1982, the three Indochinese states convened the sixth annual meeting of their Foreign Ministers, where major modifications were made in their declaratory policy on Kampuchea. It was announced that Vietnam would begin a unilateral withdrawal of its troops from Kampuchea as a first step toward peace. Thailand was invited to reciprocate with a "second step." In addition, the ministerial conference offered to establish a "safety zone" between Thailand and Kampuchea to be maintained by their respective national military forces. The Indochinese ministers also offered to convene a 15-nation international conference on Southeast Asia of the five ASEAN states, three

Indochinese countries, and Burma, China, the United States, the Soviet Union, Britain, France and India.

Immediately after this announcement, Minister Thach embarked on a two-part swing through the region. He visited Singapore, Burma and Malaysia with stopovers in Thailand. Later he returned to visit Indonesia in late October–early November while other Vietnamese emissaries visited the Philippines. The Vietnamese leader pressed upon his hosts the futility of further confrontation, the importance of maintaining a dialogue and of not undertaking acts that would make the situation worse. Invitations to visit Vietnam were extended and accepted by each of Thach's foreign affairs counterparts as well as by the Prime Ministers of Indonesia and Malaysia.

Vietnam responded to the formation of the Coalition Government of Democratic Kampuchea (CGDK) in July, 1982, hinting on more than one occasion that, as an act of self-defense, Vietnam might respond to this intervention by backing antigovernment groups in the region.¹⁵ In an attempt to diffuse the impact of the annual United Nations vote seating the Democratic Kampuchean (Pol Pot) regime and the annual resolution calling for the withdrawal of all foreign forces from that country, Vietnam announced that it would support the Heng Samrin regime in Kampuchea in its advocacy of an "empty seat" formula. Later in the year, Vietnam sought to undermine the CGDK by supporting a People's Republic of Kampuchea announcement welcoming former members of the Khmer Rouge if they renounced Pol Pot and agreed to work under the PRK constitution. Such returnees were guaranteed the right to participate in future elections to be held under the observation of international representatives.¹⁶ This gambit, reportedly accompanied by secret overtures to CGDK member Prince Norodom Sihanouk, was an obvious attempt to destabilize the already shaky coalition.

Vietnam continued to receive firm public guarantees of support from the U.S.S.R. throughout this period, including statements by Brezhnev's successor, General Secretary Yuri Andropov. Various high-level Soviet, Czech and East German military delegations visited Vietnam to assist in the modernization of its armed forces. Military equipment and supplies continued to arrive. New model tanks and infantry assault rifles were reported to have reached Vietnamese forces in western Kampuchea before the start of the annual dry season offensive.

Soviet economic support in the form of loans, developmental assistance and trade increased,¹⁷ no doubt as a result of increased Vietnamese willingness to respond to and act on Soviet complaints about inefficiencies and mismanagement. The number of Soviet technical advisers in Vietnam rose slightly. Under labor cooperation agreements with the U.S.S.R. and other socialist countries, tens of thousands of Vietnam-

¹⁴Vietnam has repeatedly called for a resumption of Sino-Vietnamese talks abandoned since 1979, for a resumption of normal relations, and for China to sign nonaggression pacts with each of the three Indochinese states.

¹⁵Thach's remarks were made in Singapore, where they were given exaggerated coverage in the local press, Singapore Home Service, July 19, 1982. Thach immediately denied that he was threatening ASEAN; however, both Thach and the Vietnamese media continued to mention this theme. See Vietnam News Agency, July 22, 1982.

¹⁶The PRK statement was endorsed by Vietnam, "*Con Duong Thuong Luong Va Doi Thoai*" (The Path of Negotiation and Dialogue), *Nhan Dan*, October 9, 1982, p. 4.

¹⁷Nguyen Co Thach reported that Soviet aid had quadrupled for the present five year period over the 1976–1980 period, *Bangkok Post*, November 3, 1982, Ton Long, "A Reassuring Hug," *FEER*, January 6, 1983, pp. 79–80.

ese workers continued to receive training and on-the-job experience. The number of Vietnamese to be involved in future years was slated to rise.

Sino-Soviet overtures on the possibility of reestablishing normal relations were initially greeted by public silence and private apprehension in Hanoi. In October, President Truong Chinh led a high-level party delegation to Moscow to seek reassurance on the matter. According to one Tass report, both sides acknowledged their support for the normalization of relations with China and, as a Soviet gesture to their Far East ally, the Soviet leaders stated that such a development would not be at the expense of a third party. Despite this, there are differences between Vietnam and the Soviet Union concerning relations with the People's Republic of China; a fundamental question is whether or not the Beijing regime should be classified as socialist (the Soviet view) or not (the Vietnamese view).

Hanoi-Washington relations remained estranged, with the administration of President Ronald Reagan firm in its maintenance of a trade and aid embargo. United States representatives to bodies like the World Food Program continued to press for a halt in assistance to Vietnam.¹⁸ Despite this, several official and private American delegations concerned with American soldiers still missing in action visited Vietnam.¹⁹ They were cordially received and offered cooperation but nothing concrete was achieved. A Vietnamese technical delegation also visited the Joint Casualty Resolution Center in Hawaii at the invitation of the United States. Vietnam has made no secret of its desire to open relations with the West, including the United States. General secretary Le Duan's report to the fifth congress stated that

we advocate the policy of establishing and expanding normal relations on the state level and in the economic, cultural and technological fields with all countries regardless of their political and social regimes.

Although Vietnam is paying dearly in economic

terms for its occupation of Kampuchea, it has managed to prevent its complete isolation by cultivating relations with the new socialist government in France²⁰ and by maintaining ties, via development programs, with Sweden and Norway. Vietnam has also highlighted India's role as a source of economic and technological expertise and as a major actor in the Non-aligned Movement. Late in 1982, Vietnamese Foreign Minister Nguyen Co Thach returned to New Delhi, ostensibly to negotiate the setting up of a joint Commission for Economic, Scientific and Technical Cooperation, but primarily to consult with Prime Minister Indira Gandhi's government to insure that the Kampuchean seat at the NAM will be kept vacant and that Sihanouk will not be invited to address the next NAM summit scheduled for March, 1983, in India.

CONCLUSIONS

The fifth party congress has set the broad guidelines for Vietnam's development over the next half decade. It endorsed the economic program of the party pragmatists, but promised to return to more orthodox socialist policies when the economy improved. The congress also set in train a renewal of the leadership by announcing major changes in national-level party organs. Within the party, an estimated 375,000 new members have been recruited since 1976, with an accent on youth, education and technical expertise. While general living conditions are not good, there are distinct signs that the worst is over and that the travails of the past five years will not repeat themselves. At the beginning of 1982, agricultural production was reported to have reached a record 16 million tons, and more grain was being sold to the state than ever before. A year-end review confirmed this trend.²¹ While Vietnam is far from self-sufficient, its food situation has improved markedly, allowing the government to reduce expensive imports. Nevertheless Vietnam faces massive problems, like trade deficits and mounting debts. It is clear that progress will be slow and unspectacular.

Externally, Vietnam's position is less beleaguered than it was. It is in a militarily unassailable position in Kampuchea, and while Vietnamese military forces will remain for the foreseeable future, there is every prospect that the Heng Samrin government will increase in strength and stability. Vietnam adjusted to the withdrawal of Western foreign aid and assistance in the wake of its invasion of Kampuchea. Future progress will be undertaken within the framework of the Council for Mutual Economic Assistance (COMECON) and bilateral aid programs with its member countries. While a China hostile to Vietnam poses serious security problems, the Chinese threat has declined considerably, because of the low level of preparedness of the Chinese forces and Vietnam's own programs of self-defense and military modernization. ■

¹⁸The World Food Program intended to assist in the building of the Dau Tieng irrigation project in Tay Ninh province. Other programs affected by United States hostility include a United Nations Development Program project to rebuild and repair railroads and UNICEF food aid to Vietnamese children.

¹⁹The most important delegation was led by Richard Armitage, United States Deputy Assistant Secretary of Defense who visited in early 1982.

²⁰Late in 1981 the French government decided to grant Vietnam a loan of F200 million and to reschedule loan repayments already in arrears. In April, 1982, during Thach's visit, France announced it would provide 6,000 tons of cereals to Vietnam. France is now the largest West European donor of loans to Vietnam.

²¹Vo Van Kiet, "Ke Hoach Kinh Te—Xa Hoi Nam 1983 Va Muc Phan Dau Den Nam 1985" (The Socio-Economic Plan for 1983 and Efforts To Be Made Until 1985), *Nhan Dan*, December 23, 1982, pp. 1-2 and continued in *Nhan Dan*, December 24, 1982, pp. 2-4.

A HOBSON'S CHOICE FOR MALAYSIA

(Continued from page 176)

In each of these policies, good intentions and energetic execution were counterbalanced by sentiments generating suspicion if not open discord. It would be oversimplifying the problem to indicate that the cause is an abrasive style in leadership. Malaysia has land or maritime borders with all ASEAN states and, consequently, is unavoidably a party to territorial disputes or fishing violations. As a foremost supplier of important raw materials, it can play a decisive and disruptive role on the world market. In a communally divided society, the government has been forced to emphasize equitable economic progress as well as Malay nationalism, both factors making for passionate confrontations. A preference for resoluteness in policies has also set Kuala Lumpur apart from the more accommodating traits of its neighbors. These factors must be remembered when examining Malaysia's foreign policy.

Impatience led Mahathir in search of more promising models for progress. In his Independence Day message on August 31, he was very explicit:

... the morals and ethics of the West have declined, and with these there has been a decline in progress and resilience. . . . Nevertheless, there are still some achievements. But on the whole, the people are not that resourceful. When confronted with problems, they are unwilling to compete; they adopt a negative posture. Owing to this, we cannot use the West as a model.

Consequently, a major effort was launched to replicate some of the presumed advantages of Japanese and Korean societies, e.g., work ethics, company loyalty and welfarism, phasing out obsolescent industries and habits, and emphasizing the innovative spirit of a free enterprise system. Thousands of Malaysians have already gone to Japan for further training. Japanese language study is an important priority, and the first Japanese-style trading company (*sogo shosha*) is being established in Kuala Lumpur. Yet there is criticism in Malaysia about the purpose and methods of this policy. A multiracial Malaysia is not compatible with a culturally homogeneous Japan, it is claimed, and the government should look to the teachings of Islam.

The Pacific orientation has also induced Malaysia's leaders to extend bilateral linkages to Fiji, Tonga, Western Samoa and Papua New Guinea, where joint ventures as well as training and study tours are being discussed. Relations with Great Britain have perceptibly cooled but Western countries remain a primary source for investment capital. The contradictions inherent in rejecting the West's decadence while accepting its money have not visibly affected broader collaboration whether in defense or in EEC (European Economic Community) relations. *

Within Southeast Asia, Malaysia's enunciation of specific attitudes gave old issues a new but antagonistic

relevance. Mahathir's statement that his government would soon publish an authoritative map of sovereign territorial claims caused anguish in neighboring countries. Past uncertainty about borders had permitted a blissful ignorance of disagreeable events. The Prime Minister's categorical announcement that he was following precedent when he refused to visit Manila made all the grim aspects of the Sabah issue resurface. Likewise, the stridency with which Musa Hitam confronted communism in southern Thailand without conciliatory gestures toward settling irritations created by Muslim irredentism aggravated relations with Bangkok.

Mutual distrust of motives continues to permeate Malaysian-Philippine relations over the latter's claim to Sabah. Although both sides cling to diplomatic procedures, Malaysia persists in seeking changes in the Philippine constitution, while Philippine President Ferdinand Marcos encourages Kuala Lumpur to consider a final concessional payment to the heirs of the Sultan of Sulu. The conflict potential prevails and appears to have had a delaying effect on the next ASEAN summit meeting, which is to be held in Manila. Religion and communism have long been dual problems at the Thai-Malaysian border. Differences in leaders' personalities have given a sharper edge to a perennial dispute. 58 percent of the common border with Thailand has now been officially demarcated but, literally and figuratively, it provides only a partial solution.

Mahathir was more successful in removing old enmities that have been impinging on relations with Singapore. Outstanding bilateral issues were expeditiously settled once the two Prime Ministers had met, and the local media talked of "a new era in political links." Among the joint projects to be developed are a shuttle air service, fresh water facilities, reciprocal training opportunities and a transfer of low-capital-based industries to Malaysia, where Singapore will also invest in food production. A new intergovernment committee will insure improved relations.

In a year-end interview with the Japanese *Asahi Shimbun*, Mahathir said that Vietnam and China posed a threat to his country, and that the Soviet Union posed only a lesser threat. "Malaysia cannot rely on American aid for protection," but must look after itself. Politically, Malaysia attempts this through a non-aligned, neutral status and membership in ASEAN, including support for a tripartite Khmer coalition. Defense expenditures will comprise 4.5 percent of the GNP and 14 percent of public disbursements in 1983, a surprising decline from the 19.7 percent in 1981. Ultimately, the country's security may depend upon a strong national cohesion, advantageous linkages to the power blocs of the world, and confidence in the sincerity and predictability of Malaysia's new leaders. Success will be more likely if the Hobson's choice of national development can gradually be replaced by a choice between realistic alternatives. ■

THE MONTH IN REVIEW

A Current History chronology covering the most important events of February, 1983, to provide a day-by-day summary of world affairs.

INTERNATIONAL

International Monetary Fund (IMF)

(See also *Mexico*)

Feb. 11—Meeting in Washington, D.C., IMF members conclude their policymaking interim committee conference, agreeing to increase the resources of the lending body almost 50 percent.

Feb. 28—Officials approve a \$5.4-billion credit for Brazil; including credits granted in December, this is the largest IMF commitment ever made to any borrower.

Iran-Iraq War

Feb. 7—Iran opens up a new invasion of Iraq in Misan province.

Feb. 8—Iraq claims to have halted the latest Iranian invasion.

Madrid Conference on Security and Cooperation in Europe

Feb. 8—The conference resumes after a 7-week adjournment.

Middle East

(See also *Jordan; U.S., Foreign Policy*)

Feb. 3—After six weeks of unpleasant incidents, Israeli and U.S. officials agree to build a formal barrier between Israeli forces and U.S. peacekeeping forces in Beirut.

Feb. 5—A bomb explodes outside the Palestine Liberation Organization Research Center in Beirut, killing 15 people and wounding 115.

Feb. 15—The Lebanese regular army takes complete control of Beirut for the 1st time in 8 years.

Feb. 21—Meeting in Algiers, the Palestine National Council says U.S. President Ronald Reagan's Middle East peace plan is not acceptable as a solution for the Palestinian problem; the PLO also refuses to give Jordan a mandate to negotiate with the U.S. on its behalf.

Organization of Petroleum Exporting Countries (OPEC)

Feb. 19—Nigeria unilaterally lowers the price of its crude oil \$5.50 per barrel to \$30 per barrel, to match the price reduction to \$30.50 per barrel made by Britain and Norway on February 18.

Feb. 23—Oil ministers from 6 OPEC nations meet in Abu Dhabi and agree on a price reduction in Saudi Arabian oil; the amount has not been announced.

United Nations

Feb. 8—Visiting Tanzania on an 8-nation tour of Africa, Secretary General Javier Pérez de Cuellar rejects U.S. attempts to link the withdrawal of Cuban troops from Angola with independence for Namibia.

Feb. 10—The U.S. delegate to the 40-nation Committee on Disarmament meeting in Geneva outlines plans for an international convention on a "complete and verifiable" ban on chemical weapons.

Feb. 16—According to a report by the Human Rights

Commission, at least 2 million people have been killed without due process of law in the last 15 years; at least 37 countries have engaged in officially sanctioned executions of political opponents.

Feb. 18—In a major breakthrough in negotiations, Under Secretary General Diego Cordova wins approval from Afghanistan and Pakistan to meet with Afghan refugees.

AFGHANISTAN

(See *Intl, U.N.*)

ALGERIA

(See *Morocco*)

ANGOLA

(See also *Intl, U.N.; South Africa*)

Feb. 26—Interior Minister Alexandre Rodrigues says the government is willing to resume negotiations with South Africa over Namibia "at any time."

ARGENTINA

Feb. 28—President Reynaldo Bignone announces that national elections will be held October 30 and that the military government will leave office January 30, 1984.

AUSTRALIA

Feb. 3—Prime Minister Malcolm Fraser announces that national elections will be held on March 5, 9 months earlier than scheduled.

AUSTRIA

(See *U.S., Foreign Policy*)

BOLIVIA

(See also *France*)

Feb. 4—The government expels Klaus Barbie, a German Gestapo chief in France during World War II.

BRAZIL

(See also *Intl, IMF*)

Feb. 2—The central bank releases preliminary figures showing that the country has a total foreign debt of \$83.8 billion, the largest debt of any third world country.

Feb. 19—The government announces that, effective February 21, the cruzeiro will be devalued 30 percent.

CAMBODIA

(See *Thailand; Vietnam*)

CANADA

Feb. 2—Former Prime Minister Joe Clark is formally replaced by Erik Nielsen as head of the opposition Progressive Conservative party.

Feb. 10—Allan J. MacEachen, Minister of External Affairs, announces an agreement with the U.S. that allows the U.S. to test unarmed cruise missiles over northern Alberta.

CHILE

Feb. 14—President Augusto Pinochet dismisses the Economy and Finance Ministers and adds 5 new ministers to the Cabinet.

CHINA

(See also *U.S., Foreign Policy; Vietnam*)

Feb. 2—Foreign Minister Wu Xueqian tells U.S. Secretary of State George P. Shultz that "normal and good relations between China and the United States . . . are conducive to peace and stability in Asia and the world."

Feb. 6—The New China News Agency releases a report that criticizes U.S. support for Taiwan and "restrictive" U.S. trade policies with China.

Feb. 7—The Foreign Ministry denies a U.S. announcement that Prime Minister Zhao Ziyang will visit the U.S. in 1983; the ministry says no decision has been reached on whether Zhao will make the trip in 1983.

Feb. 19—The government rejects Vietnamese claims that Vietnam's sovereignty is being violated by foreign oil companies operating with Chinese approval in the disputed Gulf of Tonkin.

CYPRUS

Feb. 14—Spyros Kyprianou is named President; his party won 57 percent of the vote in elections held yesterday.

EGYPT

(See also *U.S., Foreign Policy*)

Feb. 21—The Defense Ministry says that 4 U.S. Awacs (Airborne Warning and Control System) aircraft are in Egypt only for training; the U.S. has said that the planes were sent to Egypt after reports of a buildup of Libyan forces on the Sudanese border. Egypt recently signed a defense agreement with the Sudan.

Feb. 22—President Hosni Mubarak says that 2 Libyan aircraft entered Egyptian airspace recently and were intercepted by Egyptian planes.

Feb. 28—The government reports that Libyan troops massed on the border of the Sudan have pulled back and that there is "complete political stability" in the Sudan.

EL SALVADOR

(See also *U.S., Foreign Policy*)

Feb. 3—Government troops reoccupy Berlín, the 2nd largest city in the province of Usulután; guerrilla forces captured the city on January 31.

Feb. 8—Roberto d'Aubuisson, president of the Constituent Assembly, says that he will resign his post as soon as the new constitution is drafted.

FRANCE

(See also *Bolivia*)

Feb. 4—The government announces the sale of 29 Mirage F-1 fighters to Iraq.

Feb. 8—The *New York Times* reports that Klaus Barbie, the Gestapo chief of Nazi-occupied Lyons who is being tried for war crimes, may have been helped by U.S. authorities to escape from Europe after the war.

Feb. 9—The government announces a \$2.9-billion investment program for the nationalized sector of industry; the government owns 25 percent of the industrial production and investment firms and 90 percent of the banking system.

Feb. 23—Communist party leader George Marchais says that he supports the government's position calling for the removal of all Soviet SS-20 intermediate-range missiles aimed at Europe in order to prevent the planned deployment of U.S. intermediate-range missiles in Europe.

GERMANY, WEST

(See also *U.S.S.R.*)

Feb. 18—The Justice Ministry announces that agents have arrested a man believed to be the head of all Soviet spies in Germany.

Feb. 20—The Green party's mock war-crimes trial that convicted nuclear weapons of being a "crime against humanity" ends.

Feb. 25—The government issues a statement accusing the U.S.S.R. of interfering in the upcoming national elections.

GHANA

(See also *Nigeria*)

Feb. 2—Government officials report that the number of Ghanaian citizens expelled from Nigeria may total 2 million.

GREECE

(See also *Turkey*)

Feb. 5—A letter to U.S. President Ronald Reagan from Prime Minister Andreas Papandreu is made public; Papandreu has told President Reagan that increased military aid to Turkey will hamper talks on U.S. bases in Greece.

Feb. 24—Prime Minister Papandreu and Soviet Prime Minister Nikolai A. Tikhonov issue a joint communiqué that calls for nuclear-free zones and the "limitation of armed forces at the lowest possible level" in conventional and strategic weapons. Tikhonov has been in Greece for a 4-day visit.

GUATEMALA

(See *Mexico*)

HONDURAS

(See also *Nicaragua*)

Feb. 1—U.S. troops join 4,000 Honduran troops for a 6-day military exercise near the Nicaraguan border.

INDIA

Feb. 15—A candidate from Prime Minister Indira Gandhi's Congress party is assassinated while making a speech in Assam; elections for members of the Assam State Assembly and the country's lower house of Parliament began on February 14 and will continue until February 20.

Feb. 19—Army troops are ordered into the state of Assam to quell rioting between Hindus and Muslims.

Feb. 20—The U.S. government announces that India is producing weapons-grade plutonium.

Feb. 23—The *New York Times* reports that at least 1,000 people were killed by Assamese tribespeople on February 18; the tribespeople attacked 17 Muslim settlements.

Feb. 24—Officials estimate that more than 5,000 Muslims have fled from Assam in the last week; at least 35,000 more have gathered at refugee camps.

Feb. 25—Prime Minister Gandhi says she bears "no direct responsibility" for the massacres in Assam; she

also says the student agitators "may have been getting encouragement from outside" India.

IRAN

(See also *Intl, Iran-Iraq War*)

Feb. 28—The official press agency reports the pardoning of 8,300 political prisoners yesterday.

IRAQ

(See *Intl, Iran-Iraq War; France*)

ISRAEL

(See also *Intl, Middle East; Jordan; Lebanon; U.S., Foreign Policy*)

Feb. 8—The 3-man commission investigating the September, 1982, massacre of Palestinians at the Sabra and Shatila refugee camps in Beirut, Lebanon, releases its report on Israeli involvement in the killings; the report charges that several Israeli political and military leaders bear an "indirect responsibility for what occurred in the refugee camps." The commission recommends that Defense Minister Ariel Sharon be dismissed or resign and that 3 military commanders be removed from their posts. The panel criticizes Prime Minister Menachem Begin for showing "absolutely no interest" in the activities of the Phalangist militia that carried out the killings.

Feb. 10—The Cabinet votes 16 to 1 to accept the recommendations of the Sabra-Shatila commission with regard to Sharon and the 3 military leaders.

1 man is killed and 9 are wounded when a grenade is thrown into a crowd demonstrating in front of Prime Minister Begin's office; the group demanded Sharon's resignation.

Feb. 11—Defense Minister Sharon resigns.

Feb. 13—Sharon announces that he is accepting Prime Minister Begin's offer to remain in the Cabinet as a minister without portfolio.

Feb. 14—Moshe Arens, Israeli ambassador to the U.S., is named Defense Minister by Prime Minister Begin.

Feb. 16—Prime Minister Begin's government defeats 3 no confidence motions with a single vote of 64 to 56.

Feb. 17—A military tribunal finds 4 Israeli soldiers guilty of harassing Arab residents of Hebron.

Feb. 20—The Cabinet approves the retention of former Defense Minister Sharon on 2 panels that deal with the negotiations in Lebanon and with defense. Prime Minister Begin requested Sharon's retention in the Cabinet.

JAPAN

Feb. 8—The Foreign Ministry announces that Japan will allow U.S. nuclear-powered aircraft carriers to dock at its ports; in 1968, widespread riots followed the port call of an American nuclear-powered carrier.

Feb. 9—The 4 opposition parties present a joint statement to the government demanding that former Prime Minister Kakuei Tanaka resign his seat in Parliament.

JORDAN

Feb. 24—Foreign Minister Marwan al-Kassem lists conditions for Jordanian participation in a Middle East settlement; they include Israeli withdrawal from Lebanon, a guarantee that Israel will build no more settlements on the occupied West Bank, and "clear Palestinian participation."

KOREA, SOUTH

(See also *U.S., Foreign Policy*)

Feb. 25—President Chun Doo Hwan lifts an 8-year-old ban on the political activities of 250 prominent South Koreans; 305 others are still under ban.

LEBANON

(See also *Intl, Middle East; Israel; U.S., Foreign Policy*)

Feb. 12—Prime Minister Shafik al-Wazzan asks the U.S. special envoy, Philip C. Habib, to help end the harassment and intimidation of Palestinians by Christian militiamen.

Feb. 17—It is reported that the forces of Major Saad Haddad have gained control of a 28-mile section of southern Lebanon; Haddad's forces are supplied and supported by Israel.

LESOTHO

Feb. 14—The government announces that it has sent a protest note to South Africa, blaming that government for the sabotage attack on a Maseru fuel dump February 13.

LIBYA

(See also *Egypt; U.S., Foreign Policy*)

Feb. 19—The official press agency reports that thousands of people demonstrated earlier today to protest U.S. "provocations."

MEXICO

Feb. 2—Foreign Minister Bernardo Sepúlveda Amor demands "clarification" from the Guatemalan government for its alleged involvement in attacks on 2 refugee camps on the Mexican border on January 25 and 26.

Feb. 24—The government announces the completion of negotiations for a \$5-billion "jumbo" loan that was worked out with the International Monetary Fund and other banks in December.

MOROCCO

Feb. 26—Algerian President Chadli Benjedid meets with King Hassan II for the first time for direct talks over the conflict in the Western Sahara.

NAMIBIA

(See *Angola; South Africa*)

NICARAGUA

Feb. 2—Sergio Ramirez Mercado, a member of the ruling junta, says the U.S. and Honduran troop maneuvers across the border in Honduras are an "act of extreme aggression."

Feb. 4—The government reports that its troops killed 73 right-wing Nicaraguan guerrillas near the Honduran border last week.

NIGERIA

(See also *Intl, OPEC; Ghana; U.S., Foreign Policy*)

Feb. 14—At a news conference, Internal Affairs Minister Ali Baba says that at least 1.2 million West Africans have left the country since it ordered the expulsion of all illegal foreign workers 4 weeks ago; Baba says Ghana is to blame for the suffering of its refugees since it delayed opening its borders.

PAKISTAN

(See *Intl, U.N.*)

PANAMA

Feb. 20—Brigadier General Rubén Darío Paredes, commander of the national guard, makes public a letter he has sent to the U.S. ambassador to Panama, accusing the ambassador of activities that "affect our national security."

PARAGUAY

Feb. 7—Results from yesterday's election return President Alfredo Stroessner to office for his 7th five-year term; Stroessner has controlled the country for 29 years.

PHILIPPINES

Feb. 10—The government says it has sent 2,000 additional troops to the southern Philippines to stop an offensive by Communist rebels; 3 marine battalions were dispatched to the area 2 weeks ago.

Feb. 16—Meeting in Manila, the Catholic Bishop's Conference releases a joint pastoral letter to President Ferdinand E. Marcos that condemns his government for "the torture and murder of citizens simply because they are of a different political persuasion. . . ."

POLAND

Feb. 8—According to a government spokesman, until domestic stability is achieved, the government will not provide amnesty for an estimated 1,500 political prisoners.

Feb. 12—After 3 days of questioning by the military prosecutor, Lech Walesa, head of the banned trade union Solidarity, returns home to Gdansk; Walesa had been summoned to give evidence in the trial of 5 dissidents charged with attempting the overthrow of the government.

PORTUGAL

Feb. 4—President António Ramalho Eanes dissolves Parliament and announces that general elections will be held on April 25.

Feb. 26—Prime Minister Francisco Pinto Balsemão resigns as head of the Social Democratic party; the party votes to replace the party presidency with a 4-man leadership.

SOUTH AFRICA

(See also *Angola; Lesotho*)

Feb. 14—Lieutenant General Johan Coetzee, head of the security police, recommends that foreign funds for the South African Council of Churches be blocked; Coetzee maintains that the council has aided the outlawed African National Congress.

Feb. 16—In an interview with *The New York Times*, Prime Minister P. W. Botha denies that his country is systematically destabilizing neighboring governments in Zimbabwe, Mozambique and Lesotho.

Feb. 19—The security forces report that they have killed 96 guerrillas in Namibia who infiltrated Namibia's northern area.

Feb. 23—Talks begin with Angolan representatives at the Cape Verde Islands over the status of Namibia.

SPAIN

Feb. 2—The Cabinet approves a new penal code that liberalizes existing abortion laws; the code now goes before Parliament.

Feb. 5—Church bishops release a document that says the proposed legislation liberalizing abortion is "gravely unjust and totally unacceptable."

Feb. 24—The government formally takes over Rumasa, the country's largest private financial enterprise; the government says that the company has overvalued its assets, underpaid its taxes and obstructed outside audits, which have made it a threat to the economy.

SURINAME

Feb. 26—Errol Alibux is named by military leader Lieutenant Colonel Dési Bouterse as the new Prime Minister; Bouterse retains executive power.

THAILAND

Feb. 5—About 25,000 Cambodian refugees move into Thailand after their temporary encampment is threatened by Vietnamese artillery fire; the refugees were forced from their original refugee camp on the Thai-Cambodian border on January 31 after Vietnamese forces shelled and burned it to the ground in fighting with 2,000 Cambodian rebels.

TURKEY

(See also *Greece*)

Feb. 6—The Foreign Minister says that Greece's fears of Turkey are "totally baseless . . . Turkey is ready to settle problems between the two countries through negotiations."

U.S.S.R.

(See also *France; Germany, West; Greece; U.S., Foreign Policy*)

Feb. 1—General Secretary Yuri Andropov rejects a January 31 proposal by U.S. President Reagan that the two countries ban intermediate-range missiles "from the face of the earth." Andropov says the proposal is "nothing new. . . ."

The government raises prices on almost 300 items; the increase is not formally announced to the public.

Feb. 10—The government reports that compared to January, 1982, output and productivity increased in January, 1983, by 6.3 percent and 5.5 percent respectively.

Feb. 11—The government tells the International Atomic Energy Agency that it is ready to discuss opening some Soviet nuclear power plants to international inspection.

Feb. 15—U.S. intelligence sources report that the Soviet Union test-fired a new intercontinental missile on February 8; the reports indicate that it was a successful launching.

The Foreign Ministry warns U.S.-based NBC News to stop broadcasting "anti-Soviet insinuations" about possible Soviet complicity in the attempted assassination of Pope John Paul II.

Feb. 18—At a news conference, Deputy Foreign Minister Viktor G. Komplektov announces that the Soviet Union is willing to reduce its conventional troop forces in Europe by 20,000 men if the U.S. will remove 13,000 of its troops.

Feb. 23—In an advance text of an article for the journal *Kommunist*, General Secretary Andropov calls for a reorganization of the country's "economic mechanism"; he also calls for less "bureaucratic overorganization and formalism."

Feb. 26—*Pravda* runs an article critical of the West German government's decision to deploy intermediate-range missiles; the paper says that the governing Christian Democrats are trying to distract the people from the antiwar movement.

UNITED KINGDOM

Great Britain

(See also *Intl, OPEC; U.S., Foreign Policy*)

- Feb. 10—The 550-member Anglican Synod of the Church of England rejects a call for Britain's unilateral disarmament; it passes a compromise resolution that asks all nations to renounce the first use of nuclear weapons.
- Feb. 22—Queen Elizabeth II is granted an injunction against further publication of articles by *The Sun* that are based on interviews with a former member of the palace staff; this is the first time the Queen has taken such action.
- Feb. 24—The Liberal-Social Democratic alliance candidate wins in a London district by-election; the election is seen as a grave defeat for Labor.

UNITED STATES

Administration

(See also *Political Scandal*)

- Feb. 1—Assistant Secretary of Agriculture John Crowell Jr. announces a new department policy that abandons a 5-year-old program to create wilderness areas in national forests. Those areas already recommended for protection will be reevaluated.
- Feb. 2—Administrator of the National Highway Traffic Safety Administration Raymond A. Peck suspends its tire-rating system, which has been in effect since 1979. President Ronald Reagan submits his Economic Report to Congress.
- Feb. 5—In U.S. district court in Houston, former CIA (Central Intelligence Agency) agent Edwin P. Wilson is found guilty on 4 counts of illegal transport of explosives to Libya in 1977.
- Feb. 14—In New York, U.S. district court Judge Henry F. Werker issues a preliminary injunction that bars the enforcement of new Department of Health and Human Services rules requiring federally supported family planning clinics to notify parents of minors receiving prescription contraceptives; the regulations were scheduled to go into effect February 25.
- Invoking his authority under the Railway Labor Act, President Reagan declares a 60-day cooling-off period to avert a strike against Conrail by the Brotherhood of Locomotive Engineers.
- Feb. 17—The Selective Service System sends the names of 5,154 men to the Justice Department for prosecution for failure to register for a possible draft.
- Feb. 22—The Environmental Protection Agency allocates \$33 million to buy out all homeowners and businesses in the town of Times Beach, Missouri, which has been contaminated by dioxin.
- Feb. 26—President Reagan says that he will ask Congress to phase out natural gas price controls over the next 3 years.
- Feb. 28—President Reagan sends Congress his proposals for changes in the Medicare system; one change would tax employees for health care premiums paid by employers.

Civil Rights

- Feb. 24—The Congressional Commission on Wartime Relocation and Internment of Civilians issues its report, which calls the World War II relocation and internment of some 120,000 Japanese-American citizens and resident aliens completely unnecessary from a military standpoint and a "grave injustice."

Economy

- Feb. 4—The Labor Department reports that the nation's unemployment rate declined to 10.4 percent in January.
- Feb. 11—The Labor Department reports that its producer price index fell 1.0 percent in January.
- Feb. 22—The Commerce Department issues a revision of its estimates of the gross national product (GNP) for the 4th quarter of 1982; it reports a decline of 1.9 percent instead of the 2.5 percent originally reported.
- Feb. 24—The New York Stock Exchange's Dow Jones industrial average closes above 1,100 for the first time, reaching 1,121.81.
- Feb. 25—The Labor Department reports that its consumer price index rose only 0.2 percent in January. Several major banks lower their prime rate to 10.5 percent.

Foreign Policy

(See also *Intl, Middle East, U.N.; Canada; China; Egypt; France; Greece; Honduras; Japan; Lebanon; Nicaragua; Panama; U.S.S.R.; Vietnam*)

- Feb. 3—President Reagan meets Austrian Chancellor Bruno Kreisky in Washington, D.C.
- Feb. 4—The State Department announces that the President is proposing a \$9.2-billion foreign military aid program for fiscal 1984. Vice President George Bush meets in Geneva with Soviet chief delegate to the arms control talks Viktor Kvitinsky to explain the seriousness of the U.S. intention to negotiate for weapons reductions. Meeting in Beijing, Secretary of State George Shultz and Chinese Defense Minister Zhang Aiping agree on preliminary steps to renew high-level military relations between the U.S. and China.
- Feb. 5—The White House announces that Chinese Prime Minister Zhao Ziyang will meet with President Reagan in the U.S. in 1983.
- Feb. 7—Secretary Shultz visits South Korea, where 39,000 U.S. military service personnel are stationed. The State Department says that the U.S. has sent some 800 tons of food and \$70,000 for emergency supplies to help the U.N. Disaster Relief Coordinator take care of refugees forced to flee from Nigeria.
- Feb. 8—The State Department issues its annual report on human rights violations around the world; the 1,300-page report lists some improvement "toward democracy" in Brazil, Uruguay, El Salvador and the Dominican Republic and cites many violations in other countries, including the Soviet Union.
- Feb. 9—In Hong Kong, Secretary Shultz says that the White House erred in setting a 1983 date on a meeting between President Reagan and Chinese Prime Minister Zhao Ziyang.
- Feb. 16—President Reagan says that Awacs (Airborne Warning and Control System) reconnaissance planes were sent to Egypt for "training exercises" and that "we're well aware of Libya's attempts to destabilize its neighbors. . . ."
- Feb. 17—Unidentified White House sources report that the Awacs planes were sent to Egypt because of a perceived Libyan threat against the Sudan.
- Feb. 18—White House sources report that 2 Libyan jets were chased by U.S. F-14's because the Libyans flew too close to the carrier *U.S.S. Nimitz* near the Gulf of Sidra.
- Feb. 20—Secretary Shultz says that the Libyan threat to the Sudan has "receded."

Feb. 22—Addressing the American Legion's annual conference in Washington, D.C., President Reagan says that "this administration is prepared to take all necessary measures to guarantee Israel's northern borders [with Lebanon] in the aftermath of the complete withdrawal of the Israeli Army." He also lists alternative arms reduction proposals.

Feb. 23—President Reagan calls for "something in the nature of a homeland" for the Palestinians as part of a Middle East peace settlement.

Feb. 24—The Senate Foreign Relations Committee sends the nomination of Kenneth L. Adelman as director of the Arms Control and Disarmament Agency to the full Senate with a recommendation that the nomination be rejected.

Feb. 26—Britain's Queen Elizabeth II arrives in California on a 10-day visit to the U.S. west coast.

Feb. 28—President Reagan asks Congress for \$60 million in additional military aid for El Salvador for fiscal 1983.

Labor and Industry

Feb. 10—President of the Independent Truckers Association Michael Parkhurst asks members to end their 11-day strike and return to work.

Feb. 14—The General Motors Corporation and Japan's Toyota Motor Corporation sign a joint venture agreement to produce cars at the GM plant in Fremont, California, which has been closed for 10 months.

Political Scandal

Feb. 3—U.S. district court Judge John L. Smith Jr. dismisses a Justice Department challenge of the contempt of Congress citation against Environmental Protection Agency (EPA) Administrator Anne Gorsuch; he urges both sides to "settle their differences. . . ."

Feb. 4—It is reported that Assistant EPA Administrator Rita M. Lavelle is resigning effective immediately.

Feb. 7—Since Lavelle's resignation has not been submitted, her appointment to the Environmental Protection Agency is "terminated today at the request of the President."

Feb. 10—EPA spokesman Rusty Brashear acknowledges that "excess" copies of agency documents have been run through paper shredders.

Feb. 14—The EPA and its special assistant in the hazardous waste division, Hugh B. Kaufman, reach a negotiated settlement over Kaufman's charges that the agency has harassed and attempted to discredit him because of his charges that the hazardous waste program has been mismanaged; the charges have led to a congressional investigation.

Feb. 16—At a news conference, President Reagan suggests that the EPA will no longer withhold data requested by Congress and that he "will never invoke executive privilege to cover up wrongdoing."

The Justice Department agrees to supply EPA documents to the House subcommittee investigating the agency.

Feb. 17—White House press secretary Larry Speakes says that President Reagan will continue to invoke executive privilege regarding EPA documents sought by Congress.

Feb. 23—At the request of the White House, EPA Inspector General Matthew Novick and an assistant administrator for administration, John Horton, submit their resignations.

Feb. 24—Deputy White House press secretary Larry Speakes says that President Reagan has ordered White

House counsel Fred Fielding to investigate contacts between senior presidential aides and EPA officials for evidence of possible political manipulation of the toxic waste program. Speakes also announces the appointment of 5 new officials to the EPA to replace agency officials who have resigned or been fired.

Politics

Feb. 2—Senator Alan Cranston (D., Ca.) announces his candidacy for the 1984 Democratic presidential nomination.

Feb. 17—Senator Gary Hart (D., Colo.) announces his candidacy for the 1984 Democratic presidential nomination.

Feb. 21—Former Vice President Walter Mondale announces his candidacy for the 1984 Democratic presidential nomination.

Feb. 23—Former Florida Governor Reubin O. Askew announces his candidacy for the 1984 Democratic presidential nomination.

Supreme Court

Feb. 22—Returning from a midwinter recess, the Supreme Court issues 5 full opinions and 325 orders. Among the full opinions is a 7-2 decision overturning a lower court ruling: the refusal of a driver to take a blood alcohol test can be used as evidence against him in a trial for drunken driving.

Feb. 28—In a 6-3 decision, the Supreme Court upholds a lower court decision which called for the breakup of the American Telephone and Telegraph Company; 13 states contested the order.

VENEZUELA

Feb. 23—Following the suspension of all sales of foreign exchange on February 21 and 22, Minister of Finance Arturo Sosa Jr. announces new foreign exchange controls that set multiple exchange rates.

VIETNAM

(See also *China; Thailand*)

Feb. 4—International aid workers report that Vietnamese troops have been fighting inside the Thai border for the last 3 days.

Feb. 23—The government announces that it will withdraw some of its troops from Cambodia during 1983 and that it might withdraw more on a yearly basis if conditions permit. The government also expresses its "desire to have normal relations with the United States" and says that its occupation of Cambodia will continue until China stops threatening Vietnam and supporting anti-Vietnamese rebels in Cambodia.

ZIMBABWE

Feb. 14—*Newsweek* magazine reports that at least 500 civilians have been killed in the last three weeks in sweeps of Matabeleland province by government soldiers; Prime Minister Robert Mugabe ordered the troops into the province to crush dissident activities by troops loyal to Joshua Nkomo, a former Cabinet member.

Feb. 19—Police detain Joshua Nkomo for 8 hours, preventing him from leaving the country on a trip to Czechoslovakia.

Feb. 27—Nkomo tells reporters that he has been placed under "virtual house arrest" by the police, who have told him that he must inform the authorities before he leaves his house. ■



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